



This is a digital copy of a book that was preserved for generations on library shelves before it was carefully scanned by Google as part of a project to make the world's books discoverable online.

It has survived long enough for the copyright to expire and the book to enter the public domain. A public domain book is one that was never subject to copyright or whose legal copyright term has expired. Whether a book is in the public domain may vary country to country. Public domain books are our gateways to the past, representing a wealth of history, culture and knowledge that's often difficult to discover.

Marks, notations and other marginalia present in the original volume will appear in this file - a reminder of this book's long journey from the publisher to a library and finally to you.

Usage guidelines

Google is proud to partner with libraries to digitize public domain materials and make them widely accessible. Public domain books belong to the public and we are merely their custodians. Nevertheless, this work is expensive, so in order to keep providing this resource, we have taken steps to prevent abuse by commercial parties, including placing technical restrictions on automated querying.

We also ask that you:

- + *Make non-commercial use of the files* We designed Google Book Search for use by individuals, and we request that you use these files for personal, non-commercial purposes.
- + *Refrain from automated querying* Do not send automated queries of any sort to Google's system: If you are conducting research on machine translation, optical character recognition or other areas where access to a large amount of text is helpful, please contact us. We encourage the use of public domain materials for these purposes and may be able to help.
- + *Maintain attribution* The Google "watermark" you see on each file is essential for informing people about this project and helping them find additional materials through Google Book Search. Please do not remove it.
- + *Keep it legal* Whatever your use, remember that you are responsible for ensuring that what you are doing is legal. Do not assume that just because we believe a book is in the public domain for users in the United States, that the work is also in the public domain for users in other countries. Whether a book is still in copyright varies from country to country, and we can't offer guidance on whether any specific use of any specific book is allowed. Please do not assume that a book's appearance in Google Book Search means it can be used in any manner anywhere in the world. Copyright infringement liability can be quite severe.

About Google Book Search

Google's mission is to organize the world's information and to make it universally accessible and useful. Google Book Search helps readers discover the world's books while helping authors and publishers reach new audiences. You can search through the full text of this book on the web at <http://books.google.com/>

B 1,066,558

GENERAL LIBRARY
OF
UNIVERSITY OF MICHIGAN

PRESENTED BY

The Bureau

7 Feb. 1891

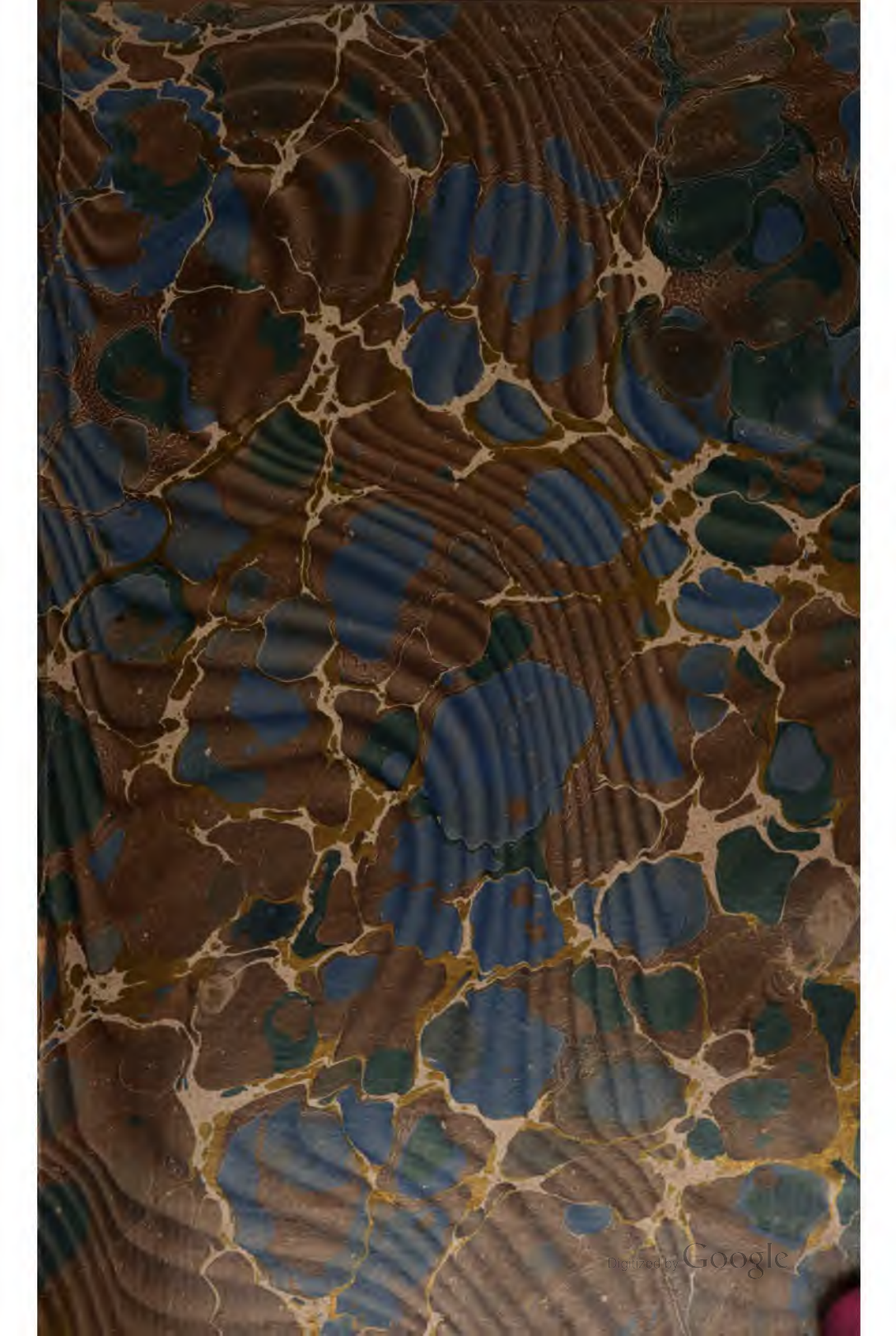


GENERAL LIBRARY
OF
UNIVERSITY OF MICHIGAN

PRESENTED BY

The Bureau

7 Feb. 1891



~~1. 18. 4. 2.~~

F

1403

. A45

no. 54

BUREAU OF THE AMERICAN REPUBLICS,
NO. 2 LAFAYETTE SQUARE, WASHINGTON, U. S. A.

Director.—CLINTON FURBISH.

While the utmost care is taken to insure accuracy in the publications of the Bureau of the American Republics, no pecuniary responsibility is assumed on account of errors or inaccuracies which may occur therein.

By official notification to the United States Department of State in April, 1892, the Dominican Republic became a party to the support of the Bureau of the American Republics.

WASHINGTON, D. C., U. S. A.:
GOVERNMENT PRINTING OFFICE.

LIST OF BUREAU PUBLICATIONS.

1. Hand Book of the American Republics, No. 1.
2. Hand Book of the American Republics, No. 2.
50. Hand Book of the American Republics, No. 3.
7. Hand Book of Brazil.
9. Hand Book of Mexico.
31. Hand Book of Costa Rica.
32. Hand Book of Guatemala.
33. Hand Book of Colombia.
34. Hand Book of Venezuela.
51. Hand Book of Nicaragua.
52. Hand Book of Santo Domingo.
54. Hand Book of Paraguay.
55. Hand Book of Bolivia.
57. Hand Book of Honduras.
58. Hand Book of Salvador.
61. Hand Book of Uruguay.
62. Hand Book of Haiti.
64. Hand Book of Ecuador.
67. Hand Book of the Argentine Republic.
5. Import Duties of Mexico.
8. Import Duties of Brazil.
10. Import Duties of Cuba and Puerto Rico.
11. Import Duties of Costa Rica.
12. Import Duties of Santo Domingo.
20. Import Duties of Nicaragua.
21. Import Duties of Mexico (revised).
22. Import Duties of Bolivia.
23. Import Duties of Salvador.
24. Import Duties of Honduras.
25. Import Duties of Ecuador.
27. Import Duties of Colombia.
36. Import Duties of Venezuela.
37. Import Duties of the British Colonies.
43. Import Duties of Guatemala.
44. Import Duties of the United States.
45. Import Duties of Peru.
46. Import Duties of Chile.
47. Import Duties of Uruguay.
48. Import Duties of the Argentine Republic.
49. Import Duties of Haiti.
69. Import Duties of Guatemala (revised).
13. Commercial Directory of Brazil.
14. Commercial Directory of Venezuela.
15. Commercial Directory of Colombia.
16. Commercial Directory of Peru.
17. Commercial Directory of Chile.
18. Commercial Directory of Mexico.
19. Commercial Directory of Bolivia, Ecuador, Paraguay, and Uruguay.
26. Commercial Directory of the Argentine Republic.
28. Commercial Directory of Central America.
29. Commercial Directory of Haiti and Santo Domingo.
38. Commercial Directory of Cuba and Puerto Rico.
39. Commercial Directory of European Colonies. Commercial Directory of Latin America.
42. Newspaper Directory of Latin America.
3. Patent and Trade-Mark Laws of America.
4. Money, Weights, and Measures of the American Republics.
6. Foreign Commerce of the American Republics.
30. First Annual Report, 1891.
Second Annual Report, 1892.
Third Annual Report, 1893.
35. Breadstuffs in Latin America.
40. Mines and Mining Laws of Latin America.
41. Commercial Information Concerning the American Republics and Colonies.
53. Immigration and Land Laws of Latin America.
63. How the Markets of Latin America may be reached.
Manual de las Repúblicas Americanas, 1891.
Monthly Bulletin, October, 1893.
Monthly Bulletin, November, 1893.
Monthly Bulletin, December, 1893.
Monthly Bulletin, January, 1894.
Monthly Bulletin, February, 1894.
Monthly Bulletin, March, 1894.
Monthly Bulletin (special Costa Rica Bulletin), April, 1894.
Monthly Bulletin, May, 1894.
Code of Commercial Nomenclature, first volume, 852 pages.

The above list includes all the publications of the Bureau to June 15, 1894. *Orders for copies based on the above will not be noticed.*

On the following page will be found the price list of Bureau publications.

SALE OF BUREAU PUBLICATIONS.

The following Monthly Bulletins have been published by the Bureau of American Republics, viz: "Coffee in America," October, 1893; "Coal and Petroleum in Colombia," etc., November, 1893; "Minerals and Resources of Northeastern Nicaragua," etc., December, 1893; "Finances of Chile," etc., January, 1894; "Costa Rica at the World's Fair," etc., February, 1894; "Reciprocity Treaties and Trade," etc., March, 1894; "The Republic of Costa Rica," etc., April, 1894; "Mexico—Treasury Receipts," "Total Sources of Income for Fiscal Year 1894-'95," May, 1894; "American Live Stock," etc., August, 1894; "Import Duties of Guatemala" (revised), June, 1894; "American Live Stock," etc., July, 1894.

With the July number will be commenced the second volume of these bulletins, and subscriptions for the year ending June 30, 1895, will be received at the rate of \$1 per annum; single copies, 10 cents each. Of the publications of the Bureau the following will be furnished to applicants upon receipt of the prices named in the list. Money may be sent by post-office money order, payable to the Director of the Bureau of American Republics. All other remittances are at the risk of the sender. *Postage stamps will not be received.*

PRICE LIST.

3. Patent and Trade-Mark Laws of America	\$0.05	29. Commercial Directory of Haiti and Santo Domingo	\$0.05
4. Money, Weights, and Measures of the American Republics	.05	30. First Annual Report of the Bureau, 1891.	.10
6. Foreign Commerce of the American Republics	.20	32. Hand Book of Guatemala	.35
8. Import Duties of Brazil	.10	33. Hand Book of Colombia	.30
10. Import Duties of Cuba and Puerto Rico	.15	34. Hand Book of Venezuela	.35
11. Import Duties of Costa Rica	.10	36. Import Duties of Venezuela	.05
13. Commercial Directory of Brazil	.05	38. Commercial Directory of Cuba and Puerto Rico	.10
14. Commercial Directory of Venezuela	.05	39. Commercial Directory of British, Danish, Dutch, and French Colonies	.10
15. Commercial Directory of Colombia	.05	42. Newspaper Directory of Latin America	.05
16. Commercial Directory of Peru	.05	43. Import Duties of Guatemala	.25
17. Commercial Directory of Chile	.05	44. Import Duties of the United States	.05
18. Commercial Directory of Mexico	.15	45. Import Duties of Peru	.25
19. Commercial Directory of Bolivia, Ecuador, Paraguay, and Uruguay	.05	46. Import Duties of Chile	.25
20. Import Duties of Nicaragua	.10	47. Import Duties of Uruguay	.25
21. Import Duties of Mexico (revised)	.15	48. Import Duties of the Argentine Republic	.25
22. Import Duties of Bolivia	.20	49. Import Duties of Haiti	.10
23. Import Duties of Salvador	.05	50. Hand Book of the American Republics, No. 3	.50
24. Import Duties of Honduras	.10	51. Hand Book of Nicaragua	.50
25. Import Duties of Ecuador	.05	52. Hand Book of Santo Domingo	.50
26. Commercial Directory of the Argentine Republic	.05	53. Immigration and Land Laws of Latin America	.40
27. Import Duties of Colombia	.05	54. Hand Book of Paraguay	.50
28. Commercial Directory of Central America	.10		

PARAGUAY.

v

PRICE LIST—Continued.

55. Hand Book of Bolivia.....	\$0.40
57. Hand Book of Honduras.....	.50
58. Hand Book of Salvador.....	.50
61. Hand Book of Uruguay.....	.50
62. Hand Book of Haiti.....	.50
63. How the Markets of Latin America may be reached.....	.40
64. Hand Book of Ecuador.....	.50
67. Hand Book of the Argentine Republic...	.50
68. Special Costa Rica Bulletin.....	.25
69. Import Duties of Guatemala (revised)...	.25

PUBLICATIONS NOT NUMBERED.

Commercial Directory of Latin America....	\$0.40
Second Annual Report of the Bureau, 1892 ..	.05
Third Annual Report of the Bureau, 1893...	.15
Manual de las Repúblicas Americanas, 1892..	.50
Monthly Bulletin, \$1 per annum; single copies.....	.10
Code of Commercial Nomenclature, first vol- ume, 852 pages.....	3.00

The "Code of Commercial Nomenclature," named in the above list, is the first volume of the first edition of the work suggested by the International American Conference. It contains 852 pages, and includes something over 28,000 commercial terms in English, Spanish, and Portuguese. This volume is bound in cloth, and is now ready for distribution.

Paraguay Occidental, also called El Gran Chaco or El Chaco Paraguayo.

El Paraguay Oriental (Eastern Paraguay) lies on the left bank of the Paraguay River, between its waters and the Brazilian and the Argentine frontiers, and is, for all practical purposes, the true Republic of Paraguay. El Paraguay Occidental (Western Paraguay) lies on the opposite bank of the Paraguay River, between its waters and the frontiers of Bolivia, Brazil, and the Argentine Republic, and is mostly a desert.

The Paraguay Oriental, or Paraguay proper, has an area of about 148,000 square miles, or 238,290 square kilometers. Its limits, both with Brazil and with the Argentine, are now well defined.

The convention of March 26, 1872, between Paraguay and Brazil fixed the limits between the two countries in the following language:

The bed of the Paraná River from the mouth of the Iguazú, latitude $25^{\circ} 30'$ S., to the Salto Grande latitude, $24^{\circ} 7'$ S. From these falls the line runs about due west along the highest divide of the Sierra de Maracayú to the termination of the latter; thence as nearly as possible in straight line northward along the highest ground to the Sierra de Amambay, following the highest divide of that Sierra to the principal source of the Apa, and along the bed of that river westward to its junction with the Paraguay. All the streams flowing north and east belong to Brazil and those south and west to Paraguay.

The commission which has passed into history under the name of the Boundary Commission of 1872-1874, was intrusted with the actual location of the frontier, as agreed upon, and did its work satisfactorily.

Another convention, concluded on the 3d of February, 1876, between Paraguay and the Argentine Republic provided for the proper determination of the respective frontiers. The territory between the Pilcomayo and the Bermejo rivers, which the Argentine Republic had claimed to be hers, was surrendered; but the part of El Chaco which extends from Bahia Negra to the Rio Verde was acknowledged to belong to Paraguay. The other sec-

tion of El Chaco, which lies between the Rio Verde and the Pilcomayo, was subsequently adjudicated to Paraguay by the award of the President of the United States, chosen by both governments as arbitrator to settle the dispute. The text of this award, dated November 12, 1878, is given at the end of this handbook as Appendix No. 1.

In commemoration of this event, and as a compliment to the arbitrator, the name of Villa Occidental was changed, amid salvos of artillery and pealing of church bells, into that of Villa Hayes, under which it is now known.

The status of the question with Bolivia can be gathered from the following expressions of the President of the Republic of Paraguay in his message to the Paraguayan Congress of April 1, 1893:

The demarcation of our limits with Bolivia, such as made by the Quijarro-Decoud and Tamayo-Aceval treaties, was undertaken in a spirit of pure fraternity, without a scrupulous examination of the title papers, and only under the inspiration of our willingness to give Bolivia, our sister, an easy outlet for her commerce across the territory of Paraguay.

Later on Bolivia has claimed to have rights over the whole territory of El Chaco from the northern part of the Pilcomayo River up to Bahia Negra.

In view of this unexpected claim, which is not founded on any document, but following the fundamental doctrine of our foreign policy, which consists in defending our rights while respecting those of others, a serious and exhaustive inquiry was ordered to be made into the subject. All documents and papers which may have a bearing upon it have been collected, and a solid substantial ground has thus been secured for the just determination of the question. Our rights in and to the whole territory of El Chaco are clearly shown by those papers.

This question, which apparently has no practical importance, on account of the unpopulated condition of the disputed territory affects, however, considerably the interests of Bolivia. It involves for the latter country the important problem of securing easier and prompter access to the Atlantic Ocean, and of obtaining in this way better facilities of communication with Europe.

Chapter II.

TOPOGRAPHY AND GENERAL APPEARANCE.

Mr. E. L. Baker, consul of the United States of America at Buenos Aires, in his report on "Paraguay, its commercial, industrial, and political condition," dated December 15, 1893, and published in No. 39, of the Consular Reports of the United States, March, 1884, expresses himself as follows:

The general appearance of Paraguay is far more attractive than either Uruguay or the Argentine Republic. The right bank of the River Paraguay presents an uninterrupted fringe of dense forests, which stretch across to the eastern boundaries of the country and embrace a hundred different varieties of timber trees. On the opposite shore, skirting the Chaco, are open meadows of immeasurable extent, widening out among groves of palm and coca trees. In the extreme southern limits of Paraguay, the mesopotamia is an alternation of low prairies and vast lagunas, covered with a rank vegetation, and swamps, which extend northward for a considerable distance. Among the latter is the famous Estero Bellaco, the Carubá, the Ipicua, and the Aquaracati. Of the lakes, the most important are the Neembucú, the Ipoa, and the Ipacarai, about which the natives are fond of telling some strange legends. The country is almost bisected by a range of mountains running north and south, which, in the north, is called the cordillera of Amambay, and in the south is designated by the name of Caaguazú. The latter, on crossing the Paraná river, produces the famous falls of La Guayra. From this principal chain there are many lateral spurs or smaller mountains, with intervening water courses, all of which tend to give a most pleasing variety to the natural scenery and a healthful virtue to the climate.

In another report, not less excellent, which more than five years afterwards was submitted to the State Department of the United States of America, "On the history, geography, resources, people, products, government, commerce, etc., of Paraguay," by Mr. Frank

D. Hill, U. S. consul at Asunción (January 23, 1889), and which was printed in No. 104, of the Consular Reports above cited, April, 1890, the views of Consul Baker, as above given, were fully indorsed and supplemented as follows:

In considering the relief of the country, the general level of the lowlands in the west and of the Chaco may be taken to be 250 or 300 feet above that of the sea, and no part of the country appears to be much higher than 2,000 feet. The eastern or Paraná side of Paraguay is, however, much higher than the western. A chain of heights, termed the cordillera, runs southward through the middle of the country parallel to the Rio Paraguay and the Alto Paraná, ramifying east and west in some districts. A mass of elevated land in the west, isolated from the central chain by the lowlands of the Tebicuari and the Manduyira rivers, and another plateau in the south in the Misiones are the chief elevations besides those of the cordillera. The northern portion of what is termed the cordillera has no title to this name, since it proved to be distinctly a southern continuation of the broad plateau of Brazil. This plateau of San José Amambay is about 2,000 feet high, and has a western declivity sloping to the Paraguay River. In the center of the country the heights are named the cordillera of Caaguazú. Further south the cordillera of Villa Rica extends from the head of the basin of the Tebicuari to the bluffs of the Rio Paraná at Encarnación. In latitude 24° an extensive branch of the main stem trends to the east, and crossing the Paraná forms the grand cataract of Guayrá. The southeastern portion of the country is the region of the esteros, or low swamp lands, the abode of herons, storks, and snakes.

The position of Paraguay, between the rivers Paraguay and Paraná, far distant from the sea, quite corresponds, as has been felicitously said by Consul Baker, of Buenos Aires, to that of the State of Illinois, whose southern boundary is at the junction of the Ohio and Mississippi rivers, and a thousand miles from the gulf. But, although it has, like Bolivia, no seaboard, there is a certain compensation in its great fluvial system. From Buenos Aires one steams up the broad estuary, miscalled the River Plate, past the confluence of its great sources, the Uruguay and Paraná rivers, which meet 40 miles above the city, and descends the Paraná River 800 miles to its junction with the Paraguay at Tres-Bocas, a score of miles above Corrientes. Thence Asunción is reached by traversing the Paraguay River 300 miles.

Eastern Paraguay, or Paraguay proper, which, as stated before, is, for all practical purposes, the Republic of Paraguay, is not, by any means, as can be seen from the above quotations, a moun-

tainous country; but, in contrast with the monotonously level pampas of the Argentine Republic, its diversified surface may well seem so. Nevertheless, the term mountainous can hardly be applied to chains of hills whose greatest height scarcely exceeds 1,500 feet above the level of the sea. From the banks of the Paraguay River to the eastern frontier there is one continuous panorama of gently undulating plains, bordered by verdure-clad hills. The interior of the country is not as yet well known. Some of its vast virgin forests, which are found on the east and north, interpose barriers which have on some occasions driven back the hardest explorers. Outside of the valley, which extends from Asunción, the capital, to Villa Encarnación, the terminus of present railroad projects, and certain well-frequented roads leading to the yerbales, the rich agricultural regions of the country, there are very few known routes of communication by land. Such geographical knowledge as we have of Paraguay is mainly derived from following the course of its magnificent rivers.

With reference to western Paraguay, or El Chaco, which is almost entirely in the possession of nomadic tribes of Indians, some of them hostile to the white man, and in which, up to a very late date, there have been no more settlements than Villa Occidental or Villa Hayes, 27 miles above Asuncion and Fort Olimpo, near the northern boundary, almost exactly upon parallel 21° ; Mr. John E. Bacon, chargé d'affaires of the United States in Paraguay and Uruguay, addressed to the Secretary of State of the United States, in October, 1888, in the following language:

This Chaco, or Gran Chaco, as it is called, is an immense territory lying to the west and northwest of the rivers La Plata, Paraguay, etc., and has been, until the last ten or twenty years, regarded as comparatively worthless, owing to its supposed impenetrable swamps, dense morasses, and uninhabitable territory. The recent tide of immigration, however, to the Plata Valley, gave rise to surveys of portions thereof and disclosed astounding developments of its fertility, salubrity, and other desirable qualities. These qualities, as gradually developed, have given rise to great contentions as to proprietorship thereof by the neighboring

States, especially those of the Argentine Republic, Paraguay, Chile, and Bolivia. The limits, so far as the Argentine Republic and Paraguay were concerned, were left to arbitration (as is known) to President Hayes, who decided in favor of Paraguay. This decision has been of far greater importance in every way, especially financially, than was anticipated. Indeed, there has poured into the Paraguayan treasury from the sales of lands accorded to the Government by said arbitration a large amount of money, and it has been greatly instrumental in the rapid improvement, financial and otherwise, of the Republic.

Mr. Edmund Shaw, United States consul at Asuncion, in another report, dated December 14, 1891,* gives further information on this subject, and says:

The general aspect of the Chaco is very pleasing to the eye. Forests of large and very superior trees, mostly evergreens, interchanged with rich pasture lands unexcelled for grazing purposes, meet the eye at every turn. The different kinds of woods which grow in these forests are mostly hard and very heavy, in fact, too dense to raft down the river, which certainly is a drawback to the exportation of this timber. The soil is everywhere exceedingly rich, being black humus, loam, and marl. All kinds of grain, sugar cane, tobacco, and fruits can be grown to perfection, but there is little or no land under cultivation at the present time, the country only being inhabited by large bands of roving Indians, who are extremely lazy and indolent.

A small part of the Chaco has been surveyed, chiefly the river front toward the Paraguay and a few leagues inland. The difficulty in completing the survey arises from the failure of every effort thus far made to explore the Pilcomayo River. A melancholy tragedy has accompanied many of the attempts.

Mr. Shaw says:

In 1880 Dr. Crevaux tried to navigate the river, going with the current from Bolivia toward the mouth, but he only succeeded in reaching a point 23° south latitude, where he was killed by the Indians and his expedition destroyed. The remains of his boats were discovered later on by Capts. Baldrich and Fontana in 1882. Feilberg, in 1885; Storm, in 1890; and Page, in 1891, all tried to navigate this river, entering its mouth opposite Lambaré, and going toward its headwaters. All these expeditions have given the same result, viz, the naviga-

* Report of Consul Shaw, of Asuncion, on "Paraguay: Situation, resources, products, government, people, commerce, etc." (Consular Report No. 138, March, 1892.)

tors have been obliged to return without having reached further than 23° south latitude, where, as a rule, the river is dry, with nothing more than a sandy and rock channel, unfit for the navigation even of small boats. But it appears that at $21^{\circ} 50'$ or 22° south latitude the river divides into two arms, which inclose the island of Ybezeta, and which join again in latitude 25° south. The whole of this big island appears to be arid, sandy, stony, and uninhabitable, dry in the hot season and marshy to excess in the wet. Fontana went up the eastern side of the island in 1882, and Feilberg and Storm the western without any success. In 1890 it was discovered by Freund that the reason of the want of water in the lower Pilcomayo is owing very likely to the fact that the river had left its old channel and flows into a new one, which reaches the Paraguay River in 23° south latitude, running for at least 100 leagues in a nearly easterly direction.

An exploring and surveying party under the command of Mr. Freund went up this branch of the Pilcomayo River and found it navigable, there being 20 feet of water in the channel, the river being about 125 yards in width during seven days steaming up the river. At this point the river was found to be blocked with fallen trees and floating timber, though still having the former depth of water. It is, therefore, a very feasible scheme, with the expenditure of a nominal sum of money, to make this channel the direct outlet for all Bolivian products and manufactures via the Paraguay River to Buenos Ayres and Montevideo.

Chapter III.

PARAGUAYAN RIVERS AND LAKES.

Paraguay possesses two first-class fluvial ways of communication, which place its people in relation not only with Brazil, the Argentine Republic, and Uruguay, but also with the Atlantic Ocean and with Europe and the rest of the world.

These two ways are the Paraná and the Paraguay rivers, which are enriched by several tributaries, and which in their turn contribute, together with the Uruguay River, to form the La Plata River, one of the greatest estuaries in the world.

The Paraná.—In volume the Paraná is a giant stream. It rises in the mountains of Goyaz, in Brazil, in latitude $16^{\circ} 30' S.$, and has a length of 2,043 miles from its source to its junction with the Uruguay. It is divided into four sections, as follows:

(1) From San Fernandino to Corrientes, 676 miles in length, 2,400 yards in width (average), and 90 feet in depth (average).

(2) From Corrientes to Iguazú, 492 miles in length, 1,500 yards average width, and 70 feet average depth.

(3) From Iguazú to the Guayrá Falls, 210 miles in length and 1,200 yards average width.

(4) And from the Guayrá Falls to Goyaz, 665 miles in length and 1,500 yards average width.

The basin of the Paraná is separated from that of the Amazon by the central plateau which stretches from the Sierra de Espinasso to the Andes. The Paraná River would be navigable throughout its entire length for vessels of the largest size if its upper waters

were not closed to navigation by the cataracts of Urupupunga and Guayrá. It is navigable up to Corrientes, all the year round, the current running 3 miles an hour and the fall averaging 4 inches to the mile. Between Corrientes and the Guayrá Falls it is navigable for small steamers. The Brazilian gunboat Tacuray is supposed to have reached, in 1874, the highest navigable point, at $24^{\circ} 30' S$. This point is considered the limit of the navigation of the Paraná River from the ocean.

The frontier of Paraguay commences at the Guayrá Falls. These falls, situated in the midst of a desolate region, far from human habitation, and rendered almost inaccessible by virgin forests, rapids, roving bands of Indians, and other obstacles, have been visited by very few, though they are said to form one of the grandest spectacles in the world. The volume of water which passes over them is twice that of Niagara. The falls are produced by the contraction of the river from a width of 4,470 yards into a narrow gorge of 65 yards, the waters making a plunge of 56 feet.

The principal affluents of the Paraná River, within the limits of the Republic, are the Acaray and the Monday, which are navigable in their upper part, and are very useful for the transportation of the yerba.

The Paraná River was explored in 1853 by a French vessel named *La Philomèle*, in 1854 by an English ship called *Vixen*, in 1855 by a French vessel called *Le Flambeau*, in 1863 by the *Water Witch*, an American vessel, and in 1864 by the French vessel called *Fulton*.

The Paraguay.—This river is in reality an affluent of the Paraná, but it is so, much in the same manner as the Missouri River is an affluent of the Mississippi. It takes its rise in a chain of lakes called the Seven Lagoons, in Brazilian territory, in latitude $13^{\circ} 30' S$, and longitude $59^{\circ} 2' W$ of Greenwich, and flows southward, with a swift undeviating current, until reaching

El Paso de la Patria where it makes its confluence with the Paraná, in latitude $27^{\circ} 20'$ S. and longitude $58^{\circ} 30'$ W. Its total length is about 1,800 miles. Its average width is 360 yards, its mean depth 20 feet. The current runs 1 mile an hour, or 90 feet a minute, the fall being 10 inches per mile from its source to Asunción. The volume of water is about one-twentieth of that of the Paraná.

From Colonia de Bahia Negra on the Bolivian and Brazilian frontiers to the mouth of Rio Apa, which empties into it, the Paraguay runs southward between the Brazilian possessions on its left bank and the Paraguayan Chaco on the right. At the mouth of the Apa Brazil has established a colony, and on the opposite shore is a Paraguayan post of frontier surveillance, called Confluencia. Below the mouth of the Apa the navigation of the river becomes difficult, because of numerous reefs and sand bars. This portion of the river is described as extremely picturesque by Dr. E. de Bourgade la Dardye, the eminent French geographer and explorer, in his recent work, *Le Paraguay*. Grand terraces of gray marble, honeycombed with deep grottos, peopled by an infinitude of birds, such as one finds only in Paraguay, fringe the main channel of the stream or remain half hidden in the undergrowth of some abandoned arm of the river. Giant cacti and tree ferns cling to all the interstices of the rocks, relieving their ruggedness. In the distance lofty hills form the horizon. The trees, at certain seasons of the year, are covered by glorious flowers, some resembling enormous bouquets of violets, others presenting translucent masses of yellow and crimson and every conceivable tint set in the gray background of the marble rocks. It is one perpetual scene of enchantment, which commences at Itapucu and continues till the environs of the ancient city of Divino Salvador are reached.

A number of colonies are established in these regions. Some miles below Salvador the banks become lower and the country resumes its monotonous features.

Near the point where the river Aquidaban (scene of the final overthrow and death of Lopez) opens into the Paraguay, the port of Villa Concepción, one of the most important in Paraguay, is to be found. Below Concepción the river's banks are very high on the left and very low on the Chaco side. The coast for many miles was covered, prior to the late disastrous war, by rich *estancias* or cattle farms. They were all destroyed during that terrible struggle, but now they are being repeopled and resuming their former prosperity. Numerous tributary rivers enter the Paraguay during its further course, one of which, appropriately named the "Confuso," or "Perplexed," after winding through innumerable détours in the Chaco country, pours into the Paraguay waters as salty as the ocean itself. Next comes the city of Asunción, the capital of the Republic, resting indolently on the green hills of Mangrullo and Recoleta. Here the left bank of the river is ridged with red sandstone, which at some points, as at Itapytapunta, overhangs nearly 90 feet over the channel of the river, while on the other side the stream, spreading over a flat shore, is transformed into an immense lake, whose waters beat at the foot of the massive basaltic rock of Tacumba. Close at hand is the green-crowned hill Lambaré. In the distance, winding silently through the plains of the Chaco, is the mysterious and still unexplored river Pilcomayo, which forms the boundary between the Paraguayan and the Argentine Chacos.

Beyond Lambaré, the river banks are dotted by a succession of pretty villages surrounded by orange groves, and by fertile bottom lands, from which a large quantity of fruit is exported by way of Buenos Ayres. Still further down is the Fortress of Humaita, the last stronghold of Paraguay carried by the allied forces; and at the confluence of Las Tres Bocas or Three Mouths, the Paraguay joins the Paraná.

Two important affluents of the Paraguay are the Jejuy and the Tebicuary. Each of them in a country less opulent in navigable streams would rank in the first class. On the Jejuy is situated the

considerable port of San Pedro. The Tebicuary, although navigable, is secondary in importance to the Jejuy. Vast quantities of yerba maté are brought down these rivers in flat-bottomed boats.

The lakes of Paraguay are numerous. The most important is the Upua, 100 square miles in extent, and is drained by the Tebicuary.

On the Chaco side the principal tributary is the Pilcomayo, which has already been mentioned. This important river, which rises in Bolivia and falls into the Paraguay, forms the boundary line between the Paraguayan and the Argentine Chacos. It is, as has been said, almost unexplored. The only accurate information regarding its direction and character, which so far has been obtained, is due to the expeditions of Father Patino, in 1791, and Lieut. von Nivel, in 1884. Lower down on the same side, the Bermejo River comes and empties into the Paraguay, after flowing a distance of 1,300 miles from its source in the highlands of Bolivia. Its course has been frequently explored and accurately determined. It is an extremely tortuous stream, but its depth is nowhere less than 5 feet. Both the Pilcomayo and the Bermejo rivers must some day be great highways of commerce and afford an outlet to the Atlantic seaboard for the rich natural resources of undeveloped Bolivia.

Near the point where the river Aquidaban (scene of the final overthrow and death of Lopez) opens into the Paraguay, the port of Villa Concepción, one of the most important in Paraguay, is to be found. Below Concepción the river's banks are very high on the left and very low on the Chaco side. The coast for many miles was covered, prior to the late disastrous war, by rich *estancias* or cattle farms. They were all destroyed during that terrible struggle, but now they are being repeopled and resuming their former prosperity. Numerous tributary rivers enter the Paraguay during its further course, one of which, appropriately named the "Confuso," or "Perplexed," after winding through innumerable détours in the Chaco country, pours into the Paraguay waters as salty as the ocean itself. Next comes the city of Asunción, the capital of the Republic, resting indolently on the green hills of Mangrullo and Recoleta. Here the left bank of the river is ridged with red sandstone, which at some points, as at Itapytá, overhangs nearly 90 feet over the channel of the river, while on the other side the stream, spreading over a flat shore, is transformed into an immense lake, whose waters beat at the foot of the massive basaltic rock of Tacumbá. Close at hand is the green-crowned hill Lambaré. In the distance, winding silently through the plains of the Chaco, is the mysterious and still unexplored river Pilcomayo, which forms the boundary between the Paraguayan and the Argentine Chacos.

Beyond Lambaré, the river banks are dotted by a succession of pretty villages surrounded by orange groves, and by fertile bottom lands, from which a large quantity of fruit is exported by way of Buenos Ayres. Still further down is the Fortress of Humaitá, the last stronghold of Paraguay carried by the allied forces; and at the confluence of Las Tres Bocas or Three Mouths, the Paraguay joins the Paraná.

Two important affluents of the Paraguay are the Jejuy and the Tebicuary. Each of them in a country less opulent in navigable streams would rank in the first class. On the Jejuy is situated the

considerable port of San Pedro. The Tebicuary, although navigable, is secondary in importance to the Jejuy. Vast quantities of yerba maté are brought down these rivers in flat-bottomed boats.

The lakes of Paraguay are numerous. The most important is the Upua, 100 square miles in extent, and is drained by the Tebicuary.

On the Chaco side the principal tributary is the Pilcomayo, which has already been mentioned. This important river, which rises in Bolivia and falls into the Paraguay, forms the boundary line between the Paraguayan and the Argentine Chacos. It is, as has been said, almost unexplored. The only accurate information regarding its direction and character, which so far has been obtained, is due to the expeditions of Father Patino, in 1791, and Lieut. von Nivel, in 1884. Lower down on the same side, the Bermejo River comes and empties into the Paraguay, after flowing a distance of 1,300 miles from its source in the highlands of Bolivia. Its course has been frequently explored and accurately determined. It is an extremely tortuous stream, but its depth is nowhere less than 5 feet. Both the Pilcomayo and the Bermejo rivers must some day be great highways of commerce and afford an outlet to the Atlantic seaboard for the rich natural resources of undeveloped Bolivia.

Chapter IV.

THE CLIMATE.

The climate of Paraguay is warm and dry, and not subject to sudden variations. There are two seasons, one of which, called "summer," begins with October and extends to March, while the other, called "winter," begins in April and ends with September. As a rule April is the most temperate month of the year.

The mean temperature of the year is from 75° to 76° Fahrenheit.

The average rainfall is about 5 feet. In 1877 a rainfall of nearly 9 feet was recorded.

During the longest day the sun shines thirteen hours and thirty-four minutes. The shortest day lasts eleven hours and twenty-six minutes.

From observations recorded daily, from 1877 to 1883 it was found that in each year there had been almost invariably 79 days rainy, 72 cloudy, and 214 clear and bright.

The Paraguayan winter is very mild. There is scarcely a day in that country in which the sun is not warm enough, at noon, to cause the people to seek shelter against its rays. But occasionally there are frosts which often injure the crops. On an average, these frosts occur ten times during the year. In some parts of the country ice of considerable thickness is sometimes formed.

In regard to the salubrity of Paraguay, Mr. Frank D. Hill, in his report above mentioned, says:

The climate, far from being unwholesome, as is the current opinion in the United States, is remarkable for its salubrity. Indeed, Paraguay enjoys a reputation as a sanitarium all over this part of South America. The hotels at Asunción have been crowded all winter with invalids from Buenos Ayres and Montevideo. Dr. Stewart, surgeon-general of the Paraguayan army during the late war, and now British vice-consul at Asunción, speaks as follows:

If the absence of the principal zymotic diseases—yellow fever, typhus and typhoid, cholera and dysentery, which are all more or less endemic, or appear epidemically in Brazil and in the River Plate—has any relation to climate, then that of Paraguay is very highly favored, those diseases being almost unknown here. The only diseases which may be considered endemic in certain districts are goitre and *elephantiasis græcorum*. The former is popularly attributed to the water, and the latter, considered more or less contagious, has hitherto been unaccounted for. As for Europeans, they enjoy good health in Paraguay; but it is necessary for them to live temperately and to avoid too much exposure to the summer heat, although sunstroke is remarkably rare. I think natives suffer more from heat than Europeans. Vaccination is made compulsory by law, and there is no case of smallpox in the whole country at this moment. Before vaccination became obligatory, smallpox made great ravages all over the country.

Mr. Washburn, after a residence of seven years in Paraguay, says that it is probably as healthy a country as any in the world. In this judgment I quite concur.

I have found it impossible to do anything in the way of vital statistics. The general impression prevails that the births of males far exceed those of females, and this must be so inasmuch as the great preponderance of the female portion of the population, noted and commented upon by all observers just after the war, has almost entirely disappeared; and of the male portion of the population a large majority consists of young men born since the suspension of hostilities.

Mr. Ernest Van Bruyssel (*La République de Paraguay*, Bruxelles, 1893), says:

The climate of Paraguay is both pleasant and healthful. Yellow fever, typhus, diphtheria, cholera, and dysentery are unknown in the country. In certain districts cases of goitre and elephantiasis occasionally present themselves. Paludial fevers are rare, though marshes and swamps abound. Europeans are sure to enjoy good health if they do not expose themselves too much in summer to the action of the sun. The natives suffer from intestinal troubles on account

There are in Paraguay four distinct varieties of soil, each having its own special properties, which may be classed as sand, red soil, humus, and black soil.

The sandy soil is either white or red. The former is the resultant of the wearing away of the quartz rocks of the great central and eastern sierras, and its whiteness is almost dazzling. The latter is the detritus of the vast strata of sandstone which constitutes the main framework of the country. Upon the former nothing can grow, except a few herbs, and consequently it is useless for any agricultural purposes. Upon the latter vegetation thrives, and vine, leguminous plants, pineapple and other plants vigorously grow.

The white sandy soil is found only in a restricted locality, in the region of the Central Paraná. But the red one is found in several places, and more especially around the capital.

The second class of soil which has been called *red soil*, and consists of clay and quartz, 65.6; oxide of iron, 18.7; lime, 2.8; and miscellaneous substances, among which the carbonate of lithine is prominent, 11.6. It is interesting to observe that this red earth of Paraguay is peculiarly adapted to the cultivation of the tobacco plant, and that both in its chemical composition, as in the quality which it imparts to the tobacco which grows on it, it is almost identical with the famous red earth of the island of Cuba. As in Cuba, this soil is not only peculiarly adapted for the cultivation of tobacco, but also for that of maize, cotton, and coffee. It may be called the agricultural soil of the country; and it is not infrequent for it to be several yards in depth.

The third class of soil, which has been named "humus," and which lies within the virgin forests of the country, where it has been accumulated for innumerable years, is the soil of the greatest fertility that can ever be found. To make it productive, it is necessary, however, to bestow upon it a whole year's labor, as the land has to be cleared. But the toil will be amply rewarded, as there will be no risk of the toiler losing the benefit of his outlay.

The fourth and last class of soil, called "black soil," consists of alluvial deposits, and possesses the best qualities for brickmaking. When baked it has a nice red color. When mixed with lime as a fertilizer, it can be turned into a first-class soil for agricultural purposes. It is this kind of soil which prevails through the whole of western Paraguay, and the grass which grows on it renders cattle-breeding on an extensive scale not only possible but easy and greatly profitable. Experimental plantations of sugar cane have yielded so far encouraging results.

Chapter VI.

AGRICULTURAL WEALTH.

Agriculture is the principal source of wealth for Paraguay. The fertility of the greatest part of the Paraguayan soil is almost inexhaustible, and abundant crops can be obtained almost by the mere scratching of the earth with the rudest of implements. Manure is neither used nor needed. Foreign colonists have introduced improved methods of cultivation, and the crops have increased in proportion.

THE YERBA.

The yerba, or yerba mate, also called "Paraguayan tea," is the chief and most distinctive product of the country.

The plant from which it is made, or taken, is an evergreen bush, resembling in some respects the orange tree, about 8 feet high, which grows wild in a large portion of the territory of Paraguay, in the Brazilian provinces of Matto-Grosso, Paraná, and others, and in the Argentine province of Misiones. Its botanical name is *Ilex paraguayana*. It belongs to the *Illiniceæ* family.

The districts in which this plant abounds are called "yerbales," and the most famous of these yerbales are those of Chirigüelo, Tacurupyta, Concepción, Caaguazú, Tacurupucú, Yuti, and Jesús.

In the time of the Jesuits this bush was cultivated with care. They owned at Santiago a yerba grove, with no less than 20,000 trees. At present the plant is not cultivated at all.



PALACE OF DICTATOR LOPEZ.

The yerba—that is to say, the commercial article—consists of the twigs and leaves of the yerba bush, dried and reduced to a kind of coarse powder. An infusion of this powder is used for the same purposes as the tea.

The name of “mate,” under which the beverage thus prepared is designated, proceeds from the apparatus in which it is prepared, consisting of a kind of gourd where the yerba is placed and where the hot water is poured upon it, and of a peculiar tube or pipe through which the infusion is sipped.

The yerba contains nearly one-half of 1 per cent (0.45) of caffeine, and 20.88 of caffee-tannic acid. It possesses also an aromatic oil, gluten, and a portion of theine. It has not the delicacy of flavor of the China tea, but has more bitterness and astringency. The Paraguayan yerba is considered to be superior to that grown elsewhere, and is cheaper than coffee or tea. While coffee involves a long process before it can be shipped, yerba can be prepared in thirty-six hours. Efforts to introduce it into Europe have failed, but it is used by millions of people in Brazil, the River Plate countries, Peru, and Bolivia.

In referring to this point, Consul Shaw says (report of 1891) as follows:

The extent of the forests of the *Sociedad Industrial Paraguaya* (Paraguayan Industrial Company) in the Departments of Concepción, San Pedro, San Estanislao, Igatimi, and Tucurupucú, consists of 400 square leagues, according to titles of purchase under surveys of Real de Oliveira and Santiago Rivas. The production for the present year will not be under 500,000 arrobas (the arroba is 25 pounds). The entire output of the yerbales for the year 1890 will be about 800,000 arrobas, and it is estimated that 1,000,000 arrobas can be gathered yearly. The average price for the yerba in the present year is \$5 per arroba. The total production represents a value of \$4,000,000.

The *Sociedad Industrial Paraguaya*, with 400 square leagues of forest, produces nearly 500,000 arrobas. The 1,000,000 arrobas which are calculated as the maximum output yearly, should represent, without fear of committing an error, the existence of yerbales to the extent of 800 square leagues. Every year new ranches are established, and it may be safely stated that the extent of the

yerbales, or forests, of Paraguay was 1,000 square leagues at the close of the year 1890.

The following table shows the amount of yerba exported since 1881:

Year.	Arrobas.	Value.
		<i>Dollars.</i>
1881.....	496, 876	621, 095. 00
1882.....	518, 381	647, 976. 25
1883.....	622, 801	778, 501. 25
1884.....	583, 481	729, 351. 25
1885.....	493, 531	616, 913. 75
1886.....	442, 940	553, 675. 00

Mr. E. L. Baker, consul of the United States at Buenos Aires, sent, under date of November 30, 1882, to the Secretary of State of the United States a report bearing specially upon this subject, which was published from page 245 to 252 of Consular Report No. 28, corresponding to February, 1883. The importance of this report justifies its reproduction in full in this hand book as appendix No. 2.

SUGAR CANE.

The sugar cane grows freely; but so far it has been planted as thickly as corn, and therefore it has not been given space and air enough to mature. The yield of saccharine matter is accordingly small. The sugar mills of the country generally consist of two heavy rollers of hard wood, in a massive timber frame, geared together by wooden cogs, set in motion by a pole fastened by strips of rawhide to the horns of a yoke of oxen, who are driven round in a circle. The cane is passed between these rollers, a handful at a time, and the juice thus expressed is strained through a coarse cloth and evaporated in an open copper kettle over a fire built in the open air. Granulation is seldom achieved. The usual product is a thick molasses, which is stored in bags of hide until required for use.

Consul Hill in his report above cited says:

Sugar cane is grown in all parts of the Republic, and of all the crops of the country it is the surest and most lucrative. The growing of the cane is capable of almost indefinite extension, and should be the crop of the future. Three varieties give good results, the *Saccharum officinarum*, which is white and very sweet; the violet cane of Taltí, which reaches maturity sooner than the others, known to the world from having long been cultivated in the English possessions; and lastly a third species, with slender stalk, fluting green, and joints far apart, which yields much sugar and has been successfully introduced into the Argentine Republic.

A plantation of sugar cane requires a minimum of work on the part of the laborer, as the same plant lasts for a period which varies from five to fifteen years, according to the nature of the soil and the kind of nurture. The only thing to be done is to weed out the grass at the time when the stems begin to show up; nine months after the cane is ready for cutting. Each hectare ($2\frac{1}{2}$ acres) produces on an average 250 *azumbres* (1 *azumbre* is equal to half a gallon) of molasses. * * * Notwithstanding the excellent quality of the cane, for the production of which both the soil and the climate are perfectly adapted, 500,000 pounds of foreign sugar are annually consumed. * * *

TOBACCO.

Tobacco is one of the principal products of the country and is cultivated in all sections; but the article grown at Luque, Itagua, Ita, and Villa Rica is the most highly prized. The amount of tobacco exported rose in 1886 to 416,006 arrobas, and in 1890 to 615,310. But the amount consumed at home is simply enormous, for smoking is universal and indulged in alike by men, women, and children. It is not uncommon to see children just able to walk with cigars in their mouths. "Peti-hoby" tobacco, which is the original kind cultivated in the time of Dictator Francia, is of blue color, and grows mostly at Villa Rica. It is generally kept for home use. "Peti-para" tobacco, which is the name given to the seed recently introduced from Cuba, is yellow and constitutes the article chiefly sold for exportation. Analysis has shown that the first-named variety contains 3 per cent of nicotine, while the other has 6 per cent. Another variety of Havana

used is imported. Five years are required before the first crop can be gathered.

RUBBER.

The mangá ice, or India rubber tree, grows abundantly in the northern part of Paraguay. It yields an article of excellent quality.

TEXTILE PLANTS.

Paraguay produces many fibrous materials of great commercial value. Prominent among these is the "caraguatá," which grows spontaneously in every part of the Republic. The fibrous substance is in the long, thick leaves, and not in the bark, as in the jute and ramie. The leaves of the plant are armed at every point with sharp-pointed needles, which render them difficult to handle. Experiments made in the preparation of the fiber for the market with machinery constructed in the Provinces of Arroyos and Esteros seem on the point of success. The caraguatá is thought by some to equal the Indian jute. At present the colony at San Bernardino has 20 cuadradas planted with it. Consul Shaw says that the interest awakened in England, France, and Germany by this product makes it merit most serious study, and that there is no possible doubt that the best results would be obtained if the product could be worked with competent hands and proper machinery.

FRUITS.

On account of its soil, climate, and rainfall Paraguay is a country admirably adapted for raising fruit. The soil is porous and light, the climate belongs to the same isothermal belt as Naples, Malaga, Barcelona, and Algiers, whose fruits are celebrated, and the rainfall is abundant, averaging nearly 6 feet per annum. There is nevertheless considerable room for improvement in the methods of growing, pruning, transplanting, etc.

Says Consul Hill:

Oranges.—In any enumeration of the fruits of Paraguay the orange naturally comes first, for this country almost merits the name of a land of orange trees and groves. Orange groves form the background of every view; every town is buried in their luxuriant foliage, and they grow wild in every forest. The planting of this tree was introduced by the Jesuit Fathers, and being produced without nurture, from the seed which were scattered in all directions by the birds, their dissemination has become universal. Millions of oranges rot on the ground every year for want of roads and means of transit to bring them to market. From April, when the fruit matures, to October the river boats carry great quantities to Buenos Ayres every trip, half a million frequently being piled up on the deck. They are delivered on board (women and children bearing them in baskets perched on their heads) at \$3.50 per 5,000. It is estimated that the shipment of oranges last year aggregated 50,000,000.

The Paraguay orange is of large size and has a rich flavor. The tree begins to bear at six years, and produces fruit for ten years. The bitter orange grows wild.

The exports for the ten years from 1881 to 1890 are as follows:

Year.	Number.	Official value.
		<i>Dollars.</i>
1881.....	23,958,850	47,917.70
1882.....	15,761,600	31,523.20
1883.....	24,182,200	48,364.40
1884.....	27,275,000	54,550.00
1885.....	30,056,300	60,112.00
1886.....	32,482,500	64,805.00
1887.....	36,520,000	68,306.00
1888.....	42,800,000	70,100.00
1889.....	52,350,000	75,740.00
1890.....	65,000,000	81,120.00

Grapes.—The grape is indigenous to Paraguay, and was successfully cultivated in the time of the Jesuits, though, on account of the extreme moisture of the climate, it is liable to rot. There are now no vineyards worthy of the name in Paraguay.

Bananas, etc.—The banana thrives in Paraguay. The hot summers bring it to perfection. The chirimoya, papa, cactus fig, níspero, pomegranate, cacao, quince, plum, pear, peanut, and peach, all grow in the red soil. In addition to the fruits named there are

a number of excellent native fruits, known by their Guarani names, which it is unnecessary to repeat. Watermelons and caneloupes grow well everywhere:

TIMBER.

One great source of wealth for Paraguay consists of its forests of rare and valuable woods, many of them possessing durability and powers of resistance such as no European woods can equal.

Says Consul Hill:

The very names of some of these trees, which exist in vast numbers in the virgin forests of the country, are comparatively unknown, except to botanists. The enumeration includes 51 different kinds of timber especially suitable for building purposes, 69 medicinal, 43 ornamental, 15 dyeing, 38 fruit, and 8 fibrous trees and plants. A large number of these trees will sink when thrown into the water. The average gravity is 70 pounds per foot. In transporting these woods to market they are floated, supported by cedar rafts. Dyewoods of red, yellow, violet and blue are found in large numbers; also excellent barks for tanning. Resinous trees and shrubs for varnishing, wild vanilla, and gum trees grow in great numbers. The quebracho and campay are shipped abroad for tanning and coloring.

CATTLE AND STOCK RAISING.

Cattle-raising is very profitable. Experienced cattle men estimate the annual increase at 50 per cent. At the close of the war the country was nearly depleted of horned cattle. The number ascertained in 1890 was over 860,000, and in 1888 exceeded a million. On account of the better quality of grass and the abundance of shelter, cattle fatten more quickly and attain a greater weight in Paraguay than in Argentine territory. Improved breeds are being crossed upon the original Spanish stock. There has also been a large increase in sheep-raising, which numbered 6,600 in 1877 and 77,500 in 1890. Horses and mules thrive, but the climate is not adapted to hogs, on account of the extreme heat.

In 1886 there were 729,766 horned cattle in Paraguay. The greater part of these were imported from the Argentine provinces of Corrientes and Entre Rios and the Brazilian province of Matto Grosso. Formerly this was the leading industry, and Paraguay has undoubtedly great natural advantages as a cattle-raising country. A yoke of oxen for the plow is worth \$40; a milch cow, \$15 to \$25; a horse, \$15 to \$25; a riding horse for town, \$60 to \$80.

In 1886, 44,246 head of cattle, 18,441 horses, 1,599 mules, and 710 sheep and goats were imported from abroad.

The subjoined table shows the increase in stock for 1877, 1886, and 1890:

Description.	1886.	1877.	1890.
Cattle	729, 796	200, 525	861, 954
Horses	62, 386	21, 140	99, 693
Mules	1, 925	1, 299	2, 433
Sheep and goats	32, 351	6, 668	77, 576
Asses	2, 239	1, 500	2, 188
Hogs	12, 250	3, 026	10, 778

The recuperation in this industry has been quite remarkable, considering that out of the large number of stock in the country before the war not more than 15,000 were left in 1870, and that little or no attention has been paid to cultivating breeds. The best lands for stock-raising are in Misiones, San Pedro, Concepción, and the Chaco.

Says Consul Hill:

The cheapness of the lands should be considered a great advantage to the stock-raiser. While land is worth from \$15,000 to \$40,000 a square league, in the neighboring Argentine provinces of Entre Rios, Santa Fé, and Corrientes, excellent land, well watered and wooded, with fine, nutritious grasses, and admirably adapted in every way for stock-raising can be bought in Paraguay for \$5,000 or \$6,000 a league. If the comer has not means or inclination to purchase lands, he may rent them at a nominal rate. A law was passed in 1880 by which Government lands can be leased for \$60 a league. No trouble would be experienced in leasing large bodies of land from private parties. Another advantage is that the severe frosts and long droughts of the Argentine Republic are unknown here. Comparing the prices of land per league, it should be said that the Paraguayan league contains but 4,500 acres, whereas the Argentine league contains 6,671 acres.

a number of excellent native fruits, known by their Guarani names, which it is unnecessary to repeat. Watermelons and canteloupes grow well everywhere:

TIMBER.

One great source of wealth for Paraguay consists of its forests of rare and valuable woods, many of them possessing durability and powers of resistance such as no European woods can equal.

Says Consul Hill:

The very names of some of these trees, which exist in vast numbers in the virgin forests of the country, are comparatively unknown, except to botanists. The enumeration includes 51 different kinds of timber especially suitable for building purposes, 69 medicinal, 43 ornamental, 15 dyeing, 38 fruit, and 8 fibrous trees and plants. A large number of these trees will sink when thrown into the water. The average gravity is 70 pounds per foot. In transporting these woods to market they are floated, supported by cedar rafts. Dyewoods of red, yellow, violet and blue are found in large numbers; also excellent barks for tanning. Resinous trees and shrubs for varnishing, wild vanilla, and gum trees grow in great numbers. The quebracho and campay are shipped abroad for tanning and coloring.

CATTLE AND STOCK RAISING.

Cattle-raising is very profitable. Experienced cattle men estimate the annual increase at 50 per cent. At the close of the war the country was nearly depleted of horned cattle. The number ascertained in 1890 was over 860,000, and in 1888 exceeded a million. On account of the better quality of grass and the abundance of shelter, cattle fatten more quickly and attain a greater weight in Paraguay than in Argentine territory. Improved breeds are being crossed upon the original Spanish stock. There has also been a large increase in sheep-raising, which numbered 6,600 in 1877 and 77,500 in 1890. Horses and mules thrive, but the climate is not adapted to hogs, on account of the extreme heat.

In 1886 there were 729,766 horned cattle in Paraguay. The greater part of these were imported from the Argentine provinces of Corrientes and Entre Rios and the Brazilian province of Matto Grosso. Formerly this was the leading industry, and Paraguay has undoubtedly great natural advantages as a cattle-raising country. A yoke of oxen for the plow is worth \$40; a milch cow, \$15 to \$25; a horse, \$15 to \$25; a riding horse for town, \$60 to \$80.

In 1886, 44,246 head of cattle, 18,441 horses, 1,599 mules, and 710 sheep and goats were imported from abroad.

The subjoined table shows the increase in stock for 1877, 1886, and 1890:

Description.	1886.	1877.	1890.
Cattle	729, 796	200, 525	861, 954
Horses	62, 386	21, 140	99, 693
Mules	1, 925	1, 299	2, 433
Sheep and goats	32, 351	6, 668	77, 576
Asses	2, 239	1, 500	2, 188
Hogs	12, 250	3, 026	10, 778

The recuperation in this industry has been quite remarkable, considering that out of the large number of stock in the country before the war not more than 15,000 were left in 1870, and that little or no attention has been paid to cultivating breeds. The best lands for stock-raising are in Misiones, San Pedro, Concepción, and the Chaco.

Says Consul Hill:

The cheapness of the lands should be considered a great advantage to the stock-raiser. While land is worth from \$15,000 to \$40,000 a square league, in the neighboring Argentine provinces of Entre Rios, Santa Fé, and Corrientes, excellent land, well watered and wooded, with fine, nutritious grasses, and admirably adapted in every way for stock-raising can be bought in Paraguay for \$5,000 or \$6,000 a league. If the comer has not means or inclination to purchase lands, he may rent them at a nominal rate. A law was passed in 1880 by which Government lands can be leased for \$60 a league. No trouble would be experienced in leasing large bodies of land from private parties. Another advantage is that the severe frosts and long droughts of the Argentine Republic are unknown here. Comparing the prices of land per league, it should be said that the Paraguayan league contains but 4,500 acres, whereas the Argentine league contains 6,671 acres.

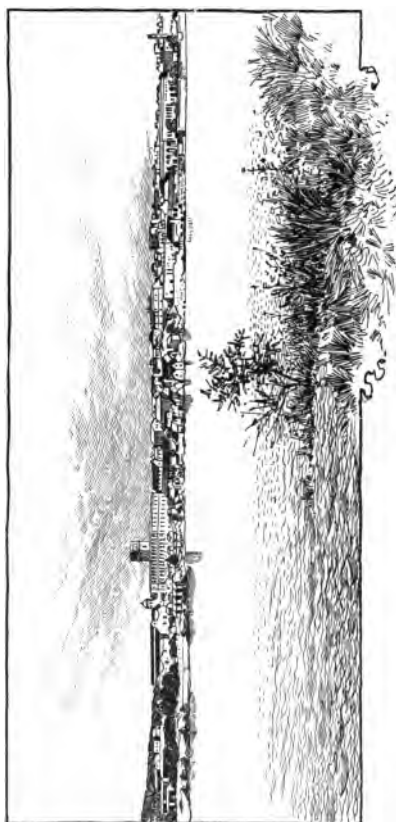
Chapter VII.

INDUSTRIAL ENTERPRISES.

Owing to various causes, the full enumeration of which does not find a proper place in this handbook, the Paraguayan nation has not as yet been able to reach that degree of progress, as far as manufacturing industries are concerned, which, under other circumstances, it might have attained without difficulty. Few countries in the New World can be found where raw material capable of being used for manufacturing purposes is as abundant and excellent as it is in Paraguay, and few also can claim with better reason than that Republic to have devoted its attention to this important business at an earlier period of its history.

When, in the year 1609, the Spanish Crown turned practically into the hands of the Society of Jesus the pacification of Paraguay and the administration of the government of that portion, at that time so vast and important, of the Spanish dominions, great efforts were made by the illustrious missionaries not only for the education of the natives, by founding schools and reducing the Guaraní language to a written idiom, but also for rendering them proficient in agriculture, architecture, and many of the arts of civilized life. The aim of the Jesuit fathers was to secure, as far as practicable, that everything needed in the country could be manufactured at home and cease to be imported from abroad.

All that has been left of those days, miraculously escaping the ravages of war and other calamities, from the magnificent Paraguayan churches, sumptuous monuments in more than one respect



CITY OF ASUNCION.

of architecture and sculptural ornamentation, to the marvelous Paraguayan lace, which is called in the native language *ñanduti* (cobweb), on account of its exceedingly fine texture, all done by the natives under the intelligent direction of the Jesuit fathers, bears testimony to this assertion.*

The Paraguayan people saw their soil strewn in those days with magnificent orange groves, splendid yerbaes and farms of all descriptions, and with factories of various kinds, which gave them work and contributed to their welfare.

All of this was done away with by the misfortunes which, in the course of time, befell Paraguay, especially the disastrous war of 1865 to 1870, which reduced the Republic to the mere wreck of a nation, although placing its people at the same heroic level as the Greeks of Marathon and Thermopylæ. But now that the internal quiet of the nation is fully assured, and those who are in charge of the Government are aroused to the importance of bringing foreign capital, liberal inducements are accorded to those who engage in manufacturing pursuits, the manufacturing business of the country, not less than its agriculture and everything else, has considerably brightened and increased.

In 1887 there were in Paraguay 1,198 factories of all kinds, with an aggregate working capital of \$4,550,000, and giving employment to 2,600 persons.

COTTON AND WOOLEN FABRICS.

The manufactures of the country consist chiefly of cotton and woollen fabrics which the people use not only for underclothing, but also for dresses of both men and women. The spinning of the

*The first printing office in the whole La Plata region was the one established by the Jesuits at their chief settlement in 1702. They subsequently established others at Candelaria, Loreto, Santa Maria, San Francisco, and other localities. The greatest number of the books printed in these establishments were printed in the Guarani language, and consisted of grammars and vocabularies of the same language, and of translations into it from the Spanish.

indigenous cotton—probably the most ancient art among them—is performed with the distaff, a slender spindle of wood twirled between the finger and thumb of the right hand as the fiber is drawn out from a tuft held in the left. The thread thus manufactured is remarkably fine, even, and strong. It is made into cloth in an equally patriarchal fashion. Weavers travel around the country with their looms, and frequently may be seen at work in the open air, the warp-roller hanging from a bough and balanced with stones as weights, while other stones, suspended by thongs of hide, raise the pedals. The thick woollen ponchos and saddle cloths woven by the natives are produced by methods quite as simple. The warp is wound over a wooden frame, and a rough boat-shaped wooden shuttle is passed in and out of the threads. But in this way effective patterns are made, generally in black and white, or in a fine blue derived from the native indigo, and for durability these cloths are not to be surpassed.

Towels and other household articles of similar nature, made of native materials, are manufactured at Araga and some other places.

PARAGUAY LACE.

The celebrated lace, which, owing to the similarity of its texture with that of the cobweb, has, as stated above, been called “ñanduti,” is made by the women of the country, with cotton and other very fine fibers of native plants. Handkerchiefs and other articles made of this lace have attracted, whenever exhibited, in Europe and America, the greatest attention. This lace is as soft and lustrous as the richest silk, and is practically indestructible. Some of the designs are exceedingly beautiful. President Solano Lopez had one chamber in his palace hung with patterns of this lace of the finest class, on a background of crimson satin, fastened with clamps of gold.

Consul Baker, in his report cited elsewhere, says as follows:

The most remarkable industry in Paraguay, however, is the manufacture of lace. It is a specialty of the country, entirely in the hands of the Paraguayan women, and finds a ready sale in all parts of South America. The skill which they display with the needle is wonderful, the art being another remnant of the lessons taught by the Jesuits. The specimens of edging, inserting, lace handkerchiefs, worked chemises, head-gear, mantillas, curtains, shawls, tidies, sofa-backs, and even hammocks, which these women sell at very moderate rates, would in any other country in the world command exorbitant prices.

MANUFACTURE OF WINE AND BEER.

Wine has been manufactured in Paraguay ever since the days of the Jesuits. The wine which was then made and called "vino de la Cruz" is said to have been excellent.

The last published reports contain the statement that two breweries have been recently established and are doing good business.

CAÑA.

Caña is the name given in Paraguay to a native rum of strong quality, which, like the one called in Cuba "aguardiente de caña," is obtained from the fermentation of the juice of the sugar cane, either before being cooked or after having been reduced by the action of the fire to the thickness of a heavy sirup. The fermented liquid is then distilled.

Primitive stills for making caña can be found in almost every village of Paraguay. The retorts are generally made of earthenware, and the operations as often as not are performed by women. The results obtained are generally satisfactory, and very seldom it is seen that the caña of one plant of the country is not uniform in alcoholic strength and other qualities to the caña of all other sections.

Many of said distilleries are now being conducted by French people, who have introduced the Egrot system of stills and considerably improved the methods of fabrication.

It must be said in connection with this distillation business that considerable attention is now being given to the manufacture of cordials and other liquors. Wherever oranges grow it is possible to make bitters; but the country has also a great variety of aromatic plants, as the yerba, the guavira-mi, the ipabosy, the pineapple, and many other herbs and fruits are successfully used for flavoring liquors, which are manufactured in large quantities, and which in quality are far superior to those imported from France. The extraction of rich essences, both from oranges and other fruits, flowers, and leaves, which find a ready market in Europe, is another branch of the distilling industry. Only one American is said to be engaged there in this business.

SUGAR.

The manufacture of sugar is a very promising industry in Paraguay, but has received no more attention than is necessary for the home consumption. It is calculated that $2\frac{1}{2}$ acres of land can produce in Paraguay, without any effort, 30 tons of sugar cane, which may yield in the proportion of 154 gallons of juice per ton, if the canes are passed through an iron mill, moved either by horses or oxen. If the canes are passed through the ordinary wooden trapiche the quantity of juice will be reduced to 110 gallons per ton. Should steam engines be used, as in Cuba and in other places, the amount of juice obtained would be very large. Most of the juice is used to manufacture caña.

MANUFACTURE OF CIGARS AND CIGARETTES.

The excellent quality of the Paraguayan tobacco, and the habit of smoking, which universally prevails at Paraguay, have given great impulsion to the manufacture of cigars and cigarettes.

The first cigar factory ever established in Paraguay was established in the eighteenth century by Capt. García Rodríguez França, the father of the famous dictator, who passed into history under

the name of Dr. Francia. Now there are a great many scattered through the whole country, but the most important are those established at Asunción and Villa Rica.

It is estimated that the average consumption of tobacco in Paraguay is at the rate of three-fourths of an ounce per day.

TANNERIES.

The tanning industry is carried on in Paraguay to a considerable extent. Tanneries are numerous. The people use for this purpose the barks of many trees, such as the *quebracho*, the *curupay*, and others, which abound in the country, and contain a large quantity of tannic acid. But the methods and processes in use seem to be less advanced, and therefore less productive of good result than elsewhere in Europe or the United States of America. Mr. Bourgade La Dardye remarks:

It is strange for the European people not to have taken advantage of the opportunities which Paraguay offers in this respect, and undertaken there on a large scale the tanning business, which can not fail to be remunerative.

FIBER.

Consul Baker, in his report above cited on Paraguay, of December 15, 1883, says in regard to this point as follows:

A few years ago Messrs. S. B. Hale & Co., American merchants of Buenos Aires, who own an extensive tract of land a few leagues above Asuncion on the Paraguay River, undertook the preparation of fiber, not only for roping and cordage, but also for woven goods, from a native Paraguayan plant called *cará-guatá*, a species of aloes, I believe, which grows spontaneously in that part of the country. The tests which were made by experts from the United States were entirely satisfactory, the fiber being equal, if, indeed, not superior to any that is produced in the world. * * * There is a future for this fiber equal to that which manila enjoys.

POTTERY.

The same report says in regard to pottery:

The exceedingly fine quality of the clays of Paraguay has long been known. Indeed, almost from time immemorial the natives have produced a variety of red earthenware, consisting of water jars, crocks, pitchers, basins, piping, drain-tiles,

roofing-tiles, flooring-tiles, bricks, etc., all hand made, whose beauty is remarkable and whose durability is almost marvelous. They have found a ready sale not only at home, but in all the neighboring countries. Last year, well-known parties from England, with a large capital at their disposal, brought out all the necessary machinery for embarking in this business upon an extensive scale; and, while in Paraguay I visited their works at Araguá, a station on the railway, about 20 miles from Asunción. The industry promises to be a most important one for Paraguay.

The potteries of Ita produce some very curious and excellent articles.

MISCELLANEOUS.

There are in Paraguay manufactures of soap, Italian pastes (macaroni, vermicelli, etc.), artificial ice, matches, and other articles.

Gum elastic or India rubber is manufactured from the sap of a tree, very abundant in the country, called "manga-icé." The article is of excellent quality. In Villa de San Pedro this industry is carried on to a considerable extent, but in a way rather primitive. "With the investment of a little capital," says Consul Baker, "this might become a valuable addition to the manufactures of the nation, as the demand for the article abroad always insures a ready market."

Some years ago all the flour consumed in the country was imported from the Argentine Republic. Now many mills have been established and flour is exported to Brazil. One mill at La Asunción, belonging to a Frenchman named Seguiér, yielded in 1887 14,000 cwt. of flour, and 18,200 in 1888.

Chapter VIII.

POPULATION, IMMIGRATION, AND COLONIZATION.

According to an official census, the accuracy of which has been occasionally disputed, the population of Paraguay in 1857 was 1,337,439 inhabitants. As the first census taken in 1775, during the days of the Spanish rule, gave only 97,480 inhabitants, the conclusion has to be reached that the increase of the population in that country during a period of eighty-two years, if the above figures are correct, was 1,239,959 inhabitants, or a little over 15,121 per year. This progress was stopped, however, by the disastrous war of 1865-1870, when Paraguay had to contend with the united forces of Brazil, the Argentine Republic, and the Republic of Uruguay, and sacrificed, in proportions never heard of before in modern times, the greatest part of her children. The census taken in 1873, perhaps exaggerated, as has been charged, but official, gave no more than 221,079 inhabitants for the whole country, out of whom only 28,746 were men, and no more than 106,254 women over 15 years of age.

In March, 1887, another official census, also said to be imperfect, was taken, and it gave a population of 329,645 inhabitants without counting 60,000 semicivilized Indians, nor of course the uncivilized ones, who are supposed to number 70,000, if not more.

Out of the said total of Paraguayans in 1886, 110,280 were men and 153,471 were women. At present the number of inhabitants is calculated to be 430,000.

This population can be distributed into five different groups, as follows:

(1) Pure whites, who are mostly immigrants, or descendants of immigrants settled in the country during the last thirty years. It is stated that the foreign element consists of about 5,000 Argentines, 2,000 Italians, 740 Germans, 500 French, 400 Swiss, 321 Spaniards, 198 Uruguayans, 116 Portuguese, 100 English, 53 Austrians, and about 200 of other nationalities. Americans are said to be only 13.

(2) Pure Indians, who chiefly belong to three races, namely, the Guaranis, the Payaguas, and the Agaces. The Guaranis, especially, form a superior race, which mingles easily with the white people and adapts itself without great effort to Christian civilization.

At El Chaco, or western Paraguay, there are several tribes in an absolute uncivilized condition, the most notable among them being the Guanas, the Ubayaes, the Tobas, the Guaycurias, the Avipones, and the Lenguas. The latter, perhaps, are the only ones not hostile to the white man.

(3) Pure negroes, who are few in number and were introduced in the country since the days of the Spanish rule.

(4) Mestizos, or the offspring of the mixture of white and Indian.

(5) Mulattos, or the children of white and negro, or of Indian and negro.

In Paraguay, no more nor less than in all the other nations of Central and South America, the future of the country depends upon the increase of its population and the possibility to take advantage thereby of the resources which nature, with a prodigal hand, has lavished upon its soil. Therefore it is not surprising for anyone to see the efforts of the Government and the individual patriotism to be always turned into that direction, and give the subjects of immigration and colonization the utmost care and attention.

The last President of the Republic, Señor Don Juan G. González, in his message of April 1, 1893, to the National Congress, expressed himself as follows:

The current of immigration is weak if compared with the advantages which the country offers and with the need of labor in which we are.

The number of immigrants arrived in 1892 was 1,723. Most of them were agriculturists, and many paid their fare. All have found at once remunerative work, but the greatest number have preferred to settle in the colonies.

The development of immigration will always be slow, as long as the transportation of the immigrants from their own countries to the territory of the Republic is not paid by us. Immigration does not lose its character of voluntary because the Government at the request of the European immigrant pays his fare. To expect from the workman, the agriculturist, or any other person belonging to the laboring class of Europe, who, pressed by the necessity of leaving his home, comes here and takes advantage of our most hospitable and liberal colonization law to look for work and in pursuit of welfare or fortune, to possess sufficient means to pay for his transportation to our soil, is to condemn ourselves to see immigration develop itself very slowly, and put off without reason the increase of the population and of the national wealth.

More than large numbers, we need that class of immigrants which is useful to the country. And it is for this reason that the Minister of Foreign Relations decided in 1891, that free tickets should be furnished, then and thereafter, to all immigrants who should prove by certificates issued in their respective countries that they are agriculturists by occupation.

I believe that we must, as far as our resources may permit, promote immigration both by making new concessions and by incurring new expenses, and that we must not feel discouraged, in the least, for the little success which is said to have been obtained in the establishment of colonies and in our efforts to attract immigration.

We must remember that whatever is spent for this purpose, if spent honestly and intelligently, is in reality invested at rates of great profit for the future.

The appropriations made on the 5th of October ultimo, have enabled the Executive to support the colonies in existence, and to establish new ones, in well-selected places, and in close proximity to good means of communication, thus enabling the colonists to bring to the market, easily and at small expense, the products of their industry.

During the year 1892 the following colonies have been established, either by the Government or by private enterprise, namely: The Catorce de Mayo, a

colony established at Villa Rica, where a large plantation of ramié has already been started; the Guillermo Tell, a colony on the Upper Paraná, established on public lands, granted for this purpose by the Government to Dr. Moses Bertoni; the Santa Clara, a colony established in the province, or department, of Caazapa, * * * and the Nueva Australia, a colony established on a tract of land in the department of Caazapa and Mbocayaty, granted to the Australian Colonization Company. * * *

In regard to the colonies formerly established, I must say that they are flourishing and are progressing daily.

Villa Hayes has acquired such conditions of life and self-support as to permit the Executive, in compliance with a provision of the colonization law, to create there a municipal corporation and an office of justice of the peace.

The President Gonzalez Colony astonishes the traveler for the degree of progress it has made in such a short time, thanks to the fertility of the soil and the special agricultural ability of its inhabitants. A village with an active commerce has already been established within its limits.

I myself have had occasion to contemplate in that place, yesterday a desert and now a flourishing colony, the gratifying spectacle of hundreds of European colonists of all races and nationalities living in peace and perfect harmony with the native element, accommodating themselves to our national habits and singing the national anthems upon the arrival there of the Chief Magistrate of the Republic. I then experienced a great satisfaction because I saw there the fruitful germs of the future greatness of our country.

Let us convince ourselves that voluntary immigration will not reach the boundaries of our territory unless it is guided by the hand of the nation and attracted by liberal concessions.

Colonization by private enterprise will always follow the official one, if the latter is successful.

These patriotic words of the President seem to merely re-echo the universal feeling of the country. The eagerness with which the Paraguayan people have undertaken the construction of great public works, especially railroads, and the concession to Europeans and other emigrants almost untold facilities to come to Paraguay and take advantage of its wealth, are sufficient to prove it.

Great attention has been paid also to cause the country to be known both in Europe and in America, as no one doubts that as soon as the capabilities of Paraguay are fully recognized in the

European and other markets, ample means will be secured to undertake all kinds of useful works, and to supply the country with all that is required for its progress.

The following are the advantages accorded to immigrants by the Government of Paraguay:

(1) A free passage to families of agriculturists from any European port of embarkation to Montevideo, and thence to Asunción.

(2) Direct conveyance from Europe of all luggage intrusted to the Paraguayan consul at the port of embarkation, which saves reshipment and customs dues at Montevideo.

(3) Free board and lodging at the "Immigrants Home" at Asunción during five days after arrival; and free conveyance of the immigrants and of their luggage to their ultimate destination.

Agricultural implements, tools, seeds, furniture, linen, and clothing, as also one sporting rifle for each male immigrant, are admitted free, without the payment of customs dues.

(4) A freehold allotment of 16 cuadras (30 acres) is granted to each family on the conditions stated below.

(5) Each family located upon an allotment of one of the Government colonies receives, gratis, all the agricultural implements needed, seeds for the first year, a milk cow with its calf, and one or two draft oxen.

(6) Immigrants who desire to enjoy these advantages are required to work during five years upon their allotment. On the expiration of this period they will receive a title deed of the freehold of their land, as also certificates entitling them to the ownership of the animals supplied to them. Until these five years have expired they can neither part with their land nor with the animals referred to.

(7) Each family installed upon an allotment on the conditions stated above, shall be entitled to select three additional allot-

ments of similar extent, on payment of 1 dollar, or 4 shillings, a cuadra (2 shillings 2 pence an acre).

(8) In addition to these advantages, each family distinguished for its industry or knowledge of agriculture shall be entitled to one or two additional allotments as a premium. Government will likewise pay a reward of \$10 in gold (£2) for every thousand fruit trees planted during the first six years' occupancy.

(9) Colonists are exempt from the payment of all direct taxes for a term of ten years, beginning with the day of their being placed in the possession of their allotment.

Similar conditions have been conceded with reference to agricultural families who desire to settle in the Government colony of President Gonzalez, which lies on the railway connecting Asunción with Encarnación. This colony covers an area of 12 square leagues of hilly ground, well wooded, and traversed by numerous rivulets. The allotments have an area of 16 cuabras (30 acres) each. Each agricultural family can purchase two of these allotments at the rate of 1 peso fuerte a cuadra, or by paying double that sum in ten equal annual installments. The colonists are likewise required to pay a surveyor's fee, which is not, however, to exceed 4 pesos fuerte a lot.

Families distinguished for their industry and good conduct may be permitted to acquire up to five allotments.

A family, which, in the course of two years, plants or sows 16 cuabras, is granted an additional lot of 32 cuabras.

An agricultural family is to consist of at least a husband and his wife; but bachelors of good repute may also be admitted to the benefits of colonists. Outsiders, after they have been working in the colony as laborers during six months, will be entitled to the same privileges.

Each family is supplied on its demand with a saw, a grindstone, a bench ax for each male, a hatchet, a shovel, a cutlass and spade for each working member of the family, a milch cow with a calf,

two draft oxen with harness, and a plow. These articles will be charged cost price, and are to be paid for in three installments, beginning two years after the arrival of the colonists.

Seed for the first year is supplied gratis.

The administrative authority of the colony will open a store and supply butcher's meat at cost prices. Colonists are not permitted to open stores until after five years' residence.

Incapable colonists may be removed on payment of compensation for improvements which they may have effected.

The colonists are entitled to the rewards offered by an Act of December 20, 1890, for agricultural and industrial progress. These rewards amount annually to 200,000 pesos, and are intended to encourage the cultivation of tobacco, sugar cane, cotton, grapes, oranges, lemons, bananas, pineapples, maize, rice, manioc, lucerne, ramie, and groundnuts, as well as the establishment of sugar mills, distilleries, sawmills, oil mills, cigar manufactories etc.

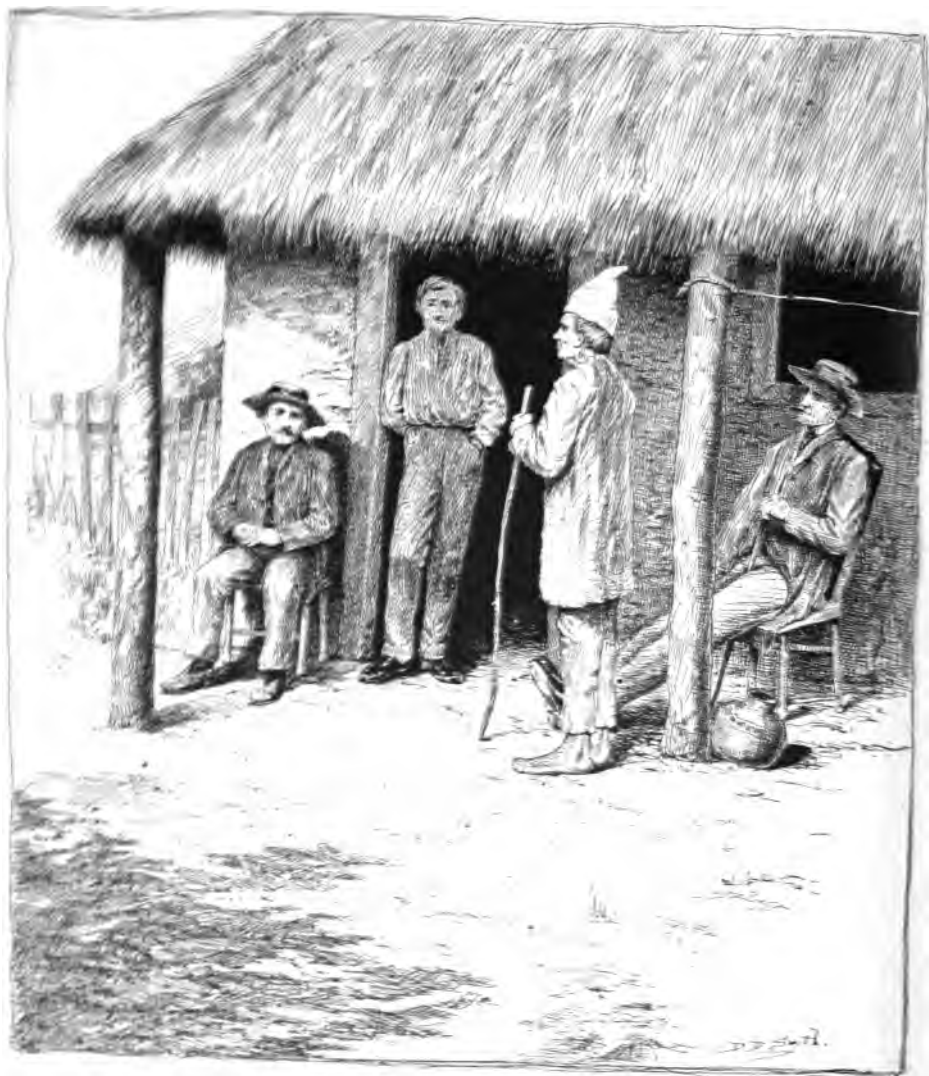
Further information on questions connected with these colonies is to be obtained from the Consuls of Paraguay in the respective ports, or from the *Oficina de Informacion y Canjes*, Asunción. A circular of this "Oficina," dated November 24, 1891, warns persons not practically acquainted with agricultural operations against coming to Paraguay, and points out that the advantages held out to colonists are intended only for "families of agriculturists."

For information in regard to the acquisition of land in the vast territories granted to London bondholders, application should be made to the secretary of the Anglo-Paraguayan Land Company, New Broad Street Buildings, London, E. C.

The Paraguayan land law of 1885 and the law of agricultural rewards of 1890, which have been and continue to be an important factor in the development of the country, are printed at the end of this handbook as Appendix No. 3.

The land-tax law passed in 1891 and the rules and regulations enacted in 1892 to carry the provisions of that law into effect are also given as Appendix No. 4.

By a survey made officially, in 1870, the lands were divided as follows: Public, 73,340 square miles; mountains and forests, 27,000 square miles; private, 15,360 square miles; yerbales, 5,040 square miles; arable, 42,600 square miles; total, 88,700 square miles. Since that time up to the end of 1891 no re-survey has been made.



A PARAGUAYAN "BODEGA."

Chapter IX.

POLITICAL DIVISIONS, DEPARTMENTS, DISTRICTS, CANTONS, PRINCIPAL CITIES, AND COLONIES.

The old popular division of Paraguay proper into La Capital and La Campaña (the capital and the country or the rural section), although no longer recognized by law, practically remains in use. The Paraguayan territory is divided for the purposes of government into 83 circumscriptions called "Departments" (*Departamentos*), which in their turn are subdivided into "cantons" (*cantones*). But for the purposes of politics, or legislation, these 83 departments are grouped together and distributed into 24 districts, or *Distritos*, also called *Distritos electorales*. The *Capital* has 3 districts, called (1) Encarnación and Lambaré, (2) Catedral and Recoleta, (3) San Roque and Trinidad.

The *Campaña* has 21 districts, as follows:

(1) The First District, which consists of the Departments of Villa Concepción and Horqueta.

(2) The Second District, formed by the Departments of Villa de San Pedro, Villa del Rosario, Tacuaty, Lima, Unión, Itacurubí del Rosario, and San Estanislao.

(3) The Third District, consisting of the Departments of Arroyos y Esteros, Emboscada, Altos, Atirá, Caacupé, and Tobatí.

(4) The Fourth District, formed by the Departments of Piribebuy, Barreno Grande, and Caraguatay.

(5) The Fifth District, which consists of the Departments of Itacurubí de la Cordillera, Vallenuela, Ibitimí, and San José.

(6) The Sixth District, formed by the Departments of Ajos, Carayaó, San Joaquín, and Caaguazú.

(7) The Seventh District, formed by the Department of Villa Rica.

(8) The Eighth District, formed by the Departments of Ubo-cayati, Yataity, Ihaty, and Itapé.

(9) The Ninth District, consisting of the Departments of Itacaguazú, Caazapá, and San Juan Nepomuceno.

(10) The Tenth District, formed by the Departments of Yuty, Bobí, and San Pedro del Paraná.

(11) The Eleventh District, formed by the Departments of Villa Encarnación, Jesús y Trinidad, Carmen del Paraná, and San Cosme.

(12) The Twelfth District, which embraces the Departments of Santa Rosa, Misiones de San Ignacio, Santa María, Santiago, San Miguel y Villa Florida, and San Juan Bautista.

(13) The Thirteenth District, consisting of the Departments of Ibicuy, Ubuyapey, and Quiquió.

(14) The Fourteenth District, formed by the Departments of Quíindy, Acahay, and Caapucú.

(15) The Fifteenth District, which consists of the Departments of Carapeguá, Paraguari, and Tabapy.

(16) The Sixteenth District, formed by the Departments of Pirayú, Itanguá, and Areguá.

(17) The Seventeenth District, embracing the Departments of Limpio, Luque, San Lorenzo del Campo Grande, and San Lorenzo de la Frontera.

(18) The Eighteenth District, consisting of the Departments of Capiatá, Itá, Yaguarón, Ipané, and Guarambaré.

(19) The Nineteenth District, formed by the Departments of Villeta, Villa Oliva, and Villa Franca.

(20) The Twentieth District, formed by the Departments of Villa del Pilar, Villa Humaitá, Isla Umbú, Laureles, Tacuaras,

Desmochados, Pedro Gonzales, San Juan Bautista del Pilar, Guazu-cuá, and Yabebiry.

(21) The Twenty-first District, which consists only of Villa Hayes and its territory.

THE CITY OF ASUNCIÓN.

Asunción, or La Asunción, is the largest city in the country and the capital of the Republic. It is situated on the left bank of the Paraguay River, in latitude $25^{\circ} 18'$ south and longitude $57^{\circ} 30'$ west of Greenwich. It is the seat of the Government and the see of a bishop of the Roman Catholic Church. Its population at the time in which the census of 1887 was taken was 24,838 inhabitants, but now it exceeds 25,000.

The name of Asunción was given to the city because it was founded on the 15th of August, in which the church celebrates the festivity of the Assumption of the Blessed Virgin. It was founded in 1536, and is, therefore, much older than Buenos Aires.

"The first part of the city seen on approach," says Consul Shaw, "is the remains of the arsenal built for Lopez by Messrs. Whitehead & Grant in the year 1861. It employed for some years about 300 men, among whom were 30 English mechanics, besides a few French and Germans, the rest being natives. They constructed and launched several mail steamers, which plied between Asuncion and Montevideo; also cannons, stoves, tools, bells, and a host of other useful articles were turned out in vast numbers.

"As in all South American towns and cities, the streets cross each other at right angles, or checkerboard fashion, cutting the city into blocks of 80 yards square, the streets being 15 yards wide and the sidewalks from 4 to 5 feet wide."

The appearance of the city is, in general, very neat and pleasant, and it is becoming more and more so every day. The Government has undertaken in earnest the completion of all the public buildings unfinished and the restoration of those which were left in ruins by the war, as well as many other improvements of all kinds in the city, and the Paraguayan Congress has granted for these purposes the most liberal appropriations.

VILLA CONCEPCIÓN.

Villa Concepción, 250 miles NNE. of Asunción, situated on the left bank of the Paraguay River, and almost exactly on the tropic of Capricorn, is a place of great activity and considerable commercial importance. It is connected with the capital by a line of steamers, making weekly trips, and is the port of shipment for the products of some great yerbales, which are about 70 miles inland. Its population is about 11,000 inhabitants.

OTHER CITIES AND TOWNS.

San Pedro is a flourishing city of 12,000 inhabitants, on the left bank of the Paraguay River, about 50 miles south of Villa Concepción.

Villa Franca is a town also on the Paraguay River, 30 miles below the city of Asunción, with no little commercial movement.

Other principal towns are: Caazapá, with 12,144 inhabitants; Carapeguá, with 15,000; Luque, with 8,872; Yuty, with 6,820; Villa del Pilar, with 14,000; Paraguari, with 6,059; Ititimí, with 5,973; San Estanislao, with 7,000; Itangua, with 6,000; Ita, with 7,000; Humaita, with 4,205, and Iguarón, with 3,106.

VILLA HAYES COLONY.

The colony of Villa Hayes, situated on the right bank of the Paraguay almost opposite Asunción, has for its chief town the settlement called by the same name. This settlement was started in the eighteenth century by Father Gonzalez, a missionary, and it continued in good flourishing condition, under the name of "Villa Occidental" (the western town) until 1855. Then President Lopez changed its name into Nueva Burdeos (New Bordeaux), because he brought over from Bordeaux and other neighboring places in France a number of immigrants to settle there. The claim was made by the Government of the Argentine Republic

that the territory upon which Nueva Burdeos, or Villa Occidental, stands, as well as the town itself, belonged to the Argentine Republic and not to Paraguay; and the question having been submitted to the arbitration of the President of the United States, at that time Mr. Hayes, who decided in favor of Paraguay, the Government of the latter Republic, in compliment to the arbitrator, decided to change again the name of the town and call it thenceforth "Villa Hayes."

The colony, of which it is the head, comprises 3,125 cuadras, or squares, divided into lots, and is watered by the Confuso River on the south and the Rio Verde on the north. Agriculture in its various branches and cattle-breeding are carried on at that place with most encouraging results. Sugar cane is also cultivated with considerable success.

There are also several brick factories and a distillery equipped with the best machinery for the production of liquors, principally caña, or white rum.

In 1890 the colony contained 91 families, consisting of 315 persons, of whom 112 were Swiss, 69 French, 38 Italians, 22 Belgians and the rest Germans, Austrians, and Spaniards.

The number of *cuadras* under cultivation in the same year was 389, divided as follows in *lines*¹ of 100 yards:

Sugar cane, 9,504 *lines*; maize, 8,085; beans, 1,917; mandioca, 2,366; sweet potatoes, 2,555; lucern, 1,460; tobacco, 321; onions, 336; fruit trees, 17,605.

The exports from the colony to Asunción in 1890 amounted to \$40,280, out of which \$21,840 were represented by 7,800 demijohns of caña made within its limits.

In the preceding chapter a passage was quoted from the Presidential message of April 1, 1893, which gives an account of the present flourishing condition of this colony.

(1) The Paraguayan square *league* contains 1,743 hectares, or 3,600 *manzanas* or *cuadras*. The square *cuadra* is equivalent to 10,000 square yards: The *line* has 100 yards in length on each side.

SAN BERNARDINO COLONY.

San Bernardino is another colony, founded in 1881 by President Caballero, on the same plan and enjoying the same privileges as Villa Hayes. Its chief town, San Bernardino, has a good situation on the northern shore of the Ipucaray Lake, which is an attractive sheet of water, abundant in fish, lying at the foot of the Altos Mountains. It is two hours' journey by railroad from Asunción. Owing to its topographical situation and pleasant surroundings, it has become a well-frequented watering place. Baths established on the banks of the lake and well-arranged hotels, generally in the shape of Swiss cottages, attract the people there during the summer. The whole country around this town is fairly settled already. The wealthier inhabitants of Asunción have purchased there real estate and built residences for their families.

Mr. Scherer, the Paraguayan Immigration Commissioner, reported in July, 1888, that San Bernardino had over 600 permanent residents, most of them Germans, and engaged in agriculture and in the manufacture of cheese and butter, which sells at the Asunción market for about 2s. 6d. per pound. Many of these colonists are owners of above 100 head of cattle. As at Villa Hayes, considerable attention is given at San Bernardino to the cultivation of the sugar cane, and two mills are constantly at work extracting the juice, which is all consumed in the manufacture of the white rum of the country.

PRESIDENT GONZALEZ COLONY.

The Colonia Presidente Gonzalez, as stated in the Presidential message quoted in the preceding chapter, is a very flourishing center of population. Full information about this colony was given in Bulletin No. 53 of the Bureau of the American Republics (Laws of the American Republics Relating to Immigration and the Sale of Public Lands), and what was then stated in regard

to this point is reprinted at the end of this handbook, as Appendix No. 5.

NEW GERMANY COLONY.

The colony called Nueva Alemania, or New Germany, was the first private colony established on a formal basis in Paraguay. It was organized in 1887. It is situated in the Department of San Pedro, in latitude 24° south, at the junction of the rivers Aguaray and Aguaray-mi, about 23 miles from the Paraguay River, with which easy communication is established by means of flat-bottomed boats and small steamers of light draft.

The grant originally made by the Government in favor of Dr. Forster consisted of 36 miles square, composed for the most part of virgin forests. Consul Shaw says that the land in this colony has been sold at the rate of \$2 per cuadra.

The population of Nueva Alemania in 1890 consisted of 90 families, comprising 193 persons.

There were 129 cuadras under cultivation in the said year.

ELISE SAN ANTONIO COLONY.

The colony of this name, which was started in 1890 by the Paraguayan and River Plata Bank, is situated in the Department of San Lorenzo de la Frontera, on the left bank of the Paraguay River and at about 9 miles from Asunción.

Tobacco, sugar cane, coffee, ramié grass, and other valuable productions are grown there by the colonists.

The conditions under which, according to Consul Shaw, the above-named institution gives its lands to the colonists are as follows: It sells to each family 16 cuadras (12 hectares, or 30 acres) of land, with a house of 2 rooms. Out of that number 2 cuadras are already prepared for planting. The colonists are given also seed and agricultural implements. The price is \$100 per cuadra, payable, with interest, in fifteen years, each installment being due

within the next three months of said year. The bank will also have to furnish each colonist with interest at 6 per cent per annum.

The first colonization of this colony consisted of 17 families, comprising 64 persons.

OTHER COLONIES.

Other colonies as mentioned by Consul Shaw, are the Five Villas, the Villa David, the Guaraní, the Nueva Virginia, and the San Salvador.

The Five Villas is located in the Department of San Pedro, in the neighborhood of Nueva Germania. The colonists are generally engaged in the business of cutting timber for exportation.

The Villa David is situated on the Aquidauan River, in the Department of San Salvador, about 15 miles from the Encarnación River. The business of the colony consists in agriculture and stock raising.

The Colonies which was founded by a gentleman of that name, is located in the Department of Paraná. Each colonist is given 4 hectares of land, 2 oxen, and the necessary farming implements free. They are allowed to rent their pasture grounds at the rate of 25 cents per animal. After the colonist has cultivated the 4 hectares given him free he is entitled to purchase lots of the same size at the rate of \$5 per hectare, payable in two years.

The colonists cultivate sugar cane, tobacco, corn, mandioca, and peanuts.

They have also a distillery to make caña.

Nueva Virginia and San Salvador are merely beginning.

The *Paraná Herald*, of November 25, 1893, announces the organization of a new colony under the name of "Nueva Australia."



WOMEN OF PARAGUAY.

Chapter X.

COMMERCE.

The foreign commerce of Paraguay is principally carried on through the ports of Uruguay and the Argentine Republic, especially Montevideo and Buenos Aires, and by way of Brazil. As the transatlantic steamers and other large vessels can not navigate the Paraná or the Paraguay River as far as Asunción, the merchandise which they carry or take away has to be transhipped. Montevideo is generally preferred for this purpose, because it can be accomplished there at less expense.

Mr. Ernest Van Bruyssel, who has written with considerable success as well as accuracy in regard to Paraguay, has suggested the Paraguayan port of Rosario de Santa Fé as the best place to be used in the future for the said reshipment, thus avoiding the difficulties and troubles which the use of foreign ports necessarily entails.

It is shown by official statistics that during the period of ten years which preceded the war the exports from Paraguay, as well as the imports into its territory, never exceeded in value the figures of 1859, which were as follows:

	Dollars.
Exports	2, 199, 678
Imports.....	1, 539, 648

Subsequently to the war, and during the ten years intervening between 1880 and 1890, the movement of the foreign commerce was as follows :

Exports.		Imports.		Exports.		Imports.	
	Dollars.		Dollars.		Dollars.		Dollars.
1880	£, 163, 413	£, 030, 408	1886	£, 642, 000	£, 622, 000		
1881	£, 928, 000	£, 204, 000	1887	2, 005, 610	2, 442, 277		
1882	£, 650, 000	£, 417, 311	1888	2, 538, 000	3, 289, 000		
1883	£, 599, 000	£, 384, 000	1889	£, 720, 137	2, 989, 515		
1884	£, 572, 000	£, 443, 000	1890	3, 901, 539	2, 725, 611		
1885	£, 660, 000	£, 475, 000					

The official value in gold of the exports from Paraguay in 1891, according to the *Recue de Paraguay*, which is an official publication, was \$3,166,135.64 (See tabular statement published in the number of December 24, 1892, pages 10 to 15, of the said publication.)

If these figures are studied in connection with the fact that the population of Paraguay was almost annihilated by the war, the conclusion has to be drawn inevitably that the Paraguayan people have increased their energy and activity in almost incredible proportions, and that their efforts to regain the lost prosperity have been attended with success.

This remarkable progress will be looked at with still greater admiration, if it is remembered that in 1886, in consequence of the appearance of the Asiatic cholera at Uruguay and the Argentine Republic, strongest measures were taken to prevent Paraguay from being visited by that scourge. The Paraguayan ports were closed to all vessels coming from the infected localities, and a great disturbance was thereby caused to the commercial movement.

In his message to the National Congress, dated on the 1st of April, 1893, the President of the Republic expressed himself as follows :

I am happy to inform you that our international commerce is progressing steadily, although perhaps slowly, and that the general situation of business in

the whole Republic has greatly improved. * * * The value of the merchandise imported into and exported from Paraguay in 1892, was as follows:

	Dollars.
Imports of dutiable merchandise.....	1, 658, 202. 35
Imports of merchandise free of duty.....	538, 784. 90
Exports (value calculated in the currency of the country)..	9, 270, 137. 72

Attention must be paid to the fact that the figures representing the imports cover many articles which are reproductive, as railroad material, agricultural implements, raw material for several industries, and other things which give impulsion to the development of the national wealth.

The analysis of these figures is sufficient to show that the consumption of articles coming from abroad has diminished and that the productive forces of the country have increased in spite of the financial troubles and of the disastrous effects of both the drought and the locusts.

This excess of the exports over the imports confirms what I said to you in my last message, that is, that the Nation advances with firm step in the road of economical reorganization, and that the monetary troubles which ever since 1889 have afflicted the country have done no injury to the production.

The commerce of Paraguay, by principal articles, for four years, 1888 to 1891, was as follows:

Exports, by principal articles.

Articles.	1888.	1889.	1890.	1891.
	<i>Pesos.</i>	<i>Pesos.</i>	<i>Pesos.</i>	<i>Pesos.</i>
Cow hides.....	219, 183	234, 222	323, 244	379, 000
Railway sleepers.....	16, 990	41, 807	13, 466	
Timber	231, 269	230, 913	342, 929	270, 000
Oranges	59, 180	45, 884	95, 205	
Palm trees.....	32, 084	25, 978	52, 598	
Tree trunks.....	18, 000	15, 195	79, 545	
Tobacco	438, 188	481, 326	615, 310	626, 000
Yerba mate.....	1, 293, 476	976, 641	1, 251, 450	1, 352, 000

Subsequently to the war, and during the ten years intervening between 1880 and 1890, the movement of the foreign commerce was as follows :

	Exports.	Imports.		Exports.	Imports.
	<i>Dollars.</i>	<i>Dollars.</i>		<i>Dollars.</i>	<i>Dollars.</i>
1880	1, 163, 418	1, 030, 408	1886	1, 642, 000	1, 622, 000
1881	1, 928, 000	1, 204, 000	1887	2, 005, 610	2, 442, 277
1882	1, 650, 000	1, 417, 311	1888	2, 588, 000	3, 289, 000
1883	1, 599, 000	1, 384, 000	1889	1, 720, 187	2, 989, 518
1884	1, 572, 000	1, 448, 000	1890	3, 901, 589	2, 725, 611
1885	1, 660, 000	1, 476, 000			

The official value in gold of the exports from Paraguay in 1891, according to the *Revue de Paraguay*, which is an official publication, was \$3,166,135.64. (See tabular statement published in the number of December 24, 1892, pages 10 to 15, of the said publication.)

If these figures are studied in connection with the fact that the population of Paraguay was almost annihilated by the war, the conclusion has to be drawn inevitably that the Paraguayan people have increased their energy and activity in almost incredible proportions, and that their efforts to regain the lost prosperity have been attended with success.

This remarkable progress will be looked at with still greater admiration, if it is remembered that in 1886, in consequence of the appearance of the Asiatic cholera at Uruguay and the Argentine Republic, strongest measures were taken to prevent Paraguay from being visited by that scourge. The Paraguayan ports were closed to all vessels coming from the infected localities, and a great disturbance was thereby caused to the commercial movement.

In his message to the National Congress, dated on the 1st of April, 1893, the President of the Republic expressed himself as follows :

I am happy to inform you that our international commerce is progressing steadily, although perhaps slowly, and that the general situation of business in

the United States does not amount to much." The prospects of building up a profitable commercial intercourse between the two countries are not by any means to be abandoned. The subject is, as Consul Hill says, surrounded by difficulties of various kinds, the principal being the lack, at present, of direct communication by steamships, and the necessity, thus far experienced, of twice reshipping the goods of American manufacture sent to Paraguay, first at Rio Janeiro, and again at the mouth of the Plate.

Consul Hill says that the trade in imported eatables, wines, liquors, cotton, and woollen goods, hardware, hats, shoes, drugs, lamps, firearms, house furniture, and several other articles is considerable. He thinks that American articles of that kind will find a market in Paraguay, and that this matter is "worthy of more serious attention than our merchants and shippers have hitherto devoted to it." He says further:

There is not at this writing (January 23, 1889) one single dollar of American capital invested in trade, or endeavor to induce trade, in Paraguay. During my stay here one commercial traveler from the United States has made Asunción a flying visit and found no difficulty, he informs me, in securing a good bill of orders. He further states that tradesmen here, unlike those in other sections of his route, have no prejudice against novelties or new lines of trade. "The Government is stable and bent," he says, "upon the development of the country with the aid of foreign enterprise and capital. Its cordial support may be relied on by anyone endeavoring to establish trade relations."

In Bulletin No. 41 of the Bureau of the American Republics, entitled Commercial Information concerning the American Republics and Colonies, and issued in April, 1892, the following was said:

MARKET FOR AMERICAN GOODS.

It is a great pity that our manufactures should be shipped first to Europe and from there to South America, owing to want of means for transport, and once they have to come through that route they are no longer considered out here as being American manufactures, but as European, and the importers here send their orders for those articles to Europe instead of sending to the States.

The exports from Great Britain, Germany, and Italy into Paraguay, according to their official statistics and by principal articles, are as follows:

Articles.	From Great Britain, 1889.	From Germany, 1889.	From Italy, 1889.
	<i>Dollars.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Carriages, carts, and cars.....	4, 545		
Cotton, manufactures of.....		3, 332	
Iron and steel, and manufactures of....	51, 605	7, 616	
Jewelry and manufactures of gold and silver..		2, 142	
Malt liquors.....		4, 046	
Wine			394, 299
Wool, manufactures of.		2, 856	
All other articles.....	12, 779	23, 562	21, 230
Total	68, 929	43, 654	415, 529

The number of oranges exported from Paraguay in 1890 was not less than 35,000,000.

According to The Statesman's Year Book for 1893, "the British trade (with Paraguay) passes almost entirely through the territories of Brazil and the Argentine Confederation." In 1891, as stated by the same publication, "the direct exports (from Paraguay) to the United Kingdom were *nil*, and the imports therefrom amounted to £362," or \$1,810.

The commercial relations between Paraguay and the Argentine Republic are in some respects extremely peculiar, and it is for this reason that some writers, as Consul Hill, for instance, have stated that Paraguay commercially is a tributary to the Argentine Republic. Nearly all the domestic products of Paraguay, exported from its territory, leave the Paraguayan ports destined to some part of the Argentine Republic; but no more than 1 per cent (and frequently much less) of the total foreign commerce of the Argentine Republic goes to Paraguay.

According to the report of Consul Shaw, which has been quoted before, "with the exception of the importation of a little timber and a few agricultural implements, the trade (of Paraguay) with

the United States does not amount to much." The prospects of building up a profitable commercial intercourse between the two countries are not by any means to be abandoned. The subject is, as Consul Hill says, surrounded by difficulties of various kinds, the principal being the lack, at present, of direct communication by steamships, and the necessity, thus far experienced, of twice reshipping the goods of American manufacture sent to Paraguay, first at Rio Janeiro, and again at the mouth of the Plate.

Consul Hill says that the trade in imported eatables, wines, liquors, cotton, and woollen goods, hardware, hats, shoes, drugs, lamps, firearms, house furniture, and several other articles is considerable. He thinks that American articles of that kind will find a market in Paraguay, and that this matter is "worthy of more serious attention than our merchants and shippers have hitherto devoted to it." He says further:

There is not at this writing (January 23, 1889) one single dollar of American capital invested in trade, or endeavor to induce trade, in Paraguay. During my stay here one commercial traveler from the United States has made Asunción a flying visit and found no difficulty, he informs me, in securing a good bill of orders. He further states that tradesmen here, unlike those in other sections of his route, have no prejudice against novelties or new lines of trade. "The Government is stable and bent," he says, "upon the development of the country with the aid of foreign enterprise and capital. Its cordial support may be relied on by anyone endeavoring to establish trade relations."

In Bulletin No. 41 of the Bureau of the American Republics, entitled Commercial Information concerning the American Republics and Colonies, and issued in April, 1892, the following was said:

MARKET FOR AMERICAN GOODS.

It is a great pity that our manufactures should be shipped first to Europe and from there to South America, owing to want of means for transport, and once they have to come through that route they are no longer considered out here as being American manufactures, but as European, and the importers here send their orders for those articles to Europe instead of sending to the States.

I inclose a list of articles which I have ready markets for, but they should be of the cheapest possible manufacture:

Hats (felt); printed calico; white calico; bleached calico; cotton socks; cotton stockings; cotton undershirts; cotton white shirts; cotton cuffs and collars; moleskins; sewing thread, hand and machine (spools); kerosene; sewing machines; oilcloth; steel fencing wire, Nos. 8 and 9; hinges from 6 inches to 18 inches and screws to suit above; door locks; lamps; slips or tower bolts, 3 inches to 36 inches; thread for sewing bags; crockery and glassware; account paper, foolscap size; foolscap, plain, letter paper; axes, squaring and felling; loaf sugar; rice; cotton blankets; cotton rugs; alpillera (for making bags), ordinary hemp tweed, this article should weigh $10\frac{1}{2}$ ounces to a yard of 40 inches width; white and colored handkerchiefs, pocket and larger size, imitation of silk; white handkerchiefs, pocket (cotton); cement; linseed oil; turpentine; ink (writing); cutlery; cooking utensils; agricultural implements; furniture; nails, wrought-iron and French; weighing machines, or scales; shovels; hoes; envelopes.

Chapter XI.

NAVIGATION AND RIVER SERVICE.

Navigation is very active in the Paraguay River and the spectacle is often seen at Asunción of no less than 40 vessels anchored at its port at one time, carrying the flags of nearly every nation of Europe and America.

The following information on this subject, furnished by Consul Shaw, will be found of interest :

In 1888 no less than 1,620 steamers and 2,612 sailing vessels, with a total tonnage of 181,054 tons, entered the ports of Paraguay. Out of this number 1,642 came loaded and 2,590 in ballast. They carried also 20,459 passengers.

In 1889 the number of vessels entering the same ports was as follows: Steamers, 1,272; sailing vessels, 2,026. The tonnage was 183,724. The vessels loaded were 1,513, and those in ballast, 1,785. The number of passengers was 15,158.

In 1890 the arrivals were: Steamers, 1,663; sailing vessels, 1,287. The tonnage was 176,692. The vessels loaded were 694; those in ballast, 1,812. Passengers carried 12,658.

The flags carried by these vessels were, according to numerical importance, the Argentine, Uruguayan, Brazilian, Bolivian, English, Italian, and Portuguese.

Says Consul Hill:

The United States flag is unknown in this part of the world. During a residence in Asunción of the greater part of a year I have never seen the Stars and Stripes upon the river save on the passenger boat which brought up the American minister in April last.

The river service is excellent.

The first company on the River Plata was the *Mensagerías Fluviales*, founded and established by a gentleman by the name of Laturno, who had the happy idea of using for this purpose a number of vessels which had been employed in carrying troops and other military purposes during the war, and which he bought at low prices. The company which he organized owned, in 1877, 14 steamers, all of which are still regularly running.

The second company, organized in 1878 by a gentleman by the name of Vacusowitch, who had been a captain in the service of the *Mensagerías Fluviales*, was the "Platense," which, in the last few years, has absorbed almost all other companies on the Paraná and Uruguay rivers. It is a British company, whose main office is in Glasgow. Its fleet, in 1889, consisted of about 100 boats, the finest of which, the *San Martin*, the *Olimpo*, and the *Cosmos*, were built on the Clyde, at a cost of nearly \$300,000 each. These boats have electric lights and are elegantly fitted up. Consul Hill says that they are "in many respects equal to the best Mississippi River boats." The trip from Buenos Aires to Asunción is made in five or six days.

The Platense, which for some years had to struggle not only with the *Mensagerías Fluviales*, but also with a company, organized in 1882 under the name of "Lloyd Argentino," succeeded nevertheless, in 1887, in buying up those two lines and causing thereby all competition on their part to stop.

The freights, in 1891, were at the rate of \$4 per ton of 40 cubic feet; passenger rates, \$30.

A new line of very good steamers, making regular trips between Montevideo and Buenos Aires and Asunción, with cheaper freight and passenger rates, is the only opposition of any account which the Platense Company has now to contend with. The company which owns those steamers is called *La Brasilera* (the Brazilian).

In addition to these two regularly organized companies there are numbers of private steamers which make trips more or less regularly between both ends of the line. It may be said that steamers of one company or another leave one port or the other at the average rate of one every two days.

Consul Hill says that the question of direct communication with Europe has been much agitated in Paraguay during the last year. He says:

It is recognized by all intelligent men that this direct communication is something vital to Paraguay's prosperity, and perhaps to its long-continued existence as an independent State. Unless this is solved favorably Paraguay will always be dependent upon the Plate Republics, which control its only outlet, and in whose power it lies to hamper or to destroy her commerce by direct or indirect taxation. The cost of reshipment from the ocean liners to the river boats at Montevideo and Buenos Aires adds much to the cost of freights and renders all imports much higher than the same articles landed at Rosario.

Chapter XII.

CUSTOMS DUES, GOVERNMENT RECEIPTS AND EXPENDITURES.

The revenues of Paraguay are mainly derived from the following sources :

- (1) Custom duties levied on imports and exports.
- (2) Port dues, warehousing, and other local charges on vessels and merchandise.
- (3) Sales and leases of public lands.
- (4) Land taxation.
- (5) Internal revenue, in the shape of stamps, stamped paper, licenses, patents, etc.

(1) IMPORT AND EXPORT DUTIES.

Under the Paraguayan law of October 1, 1883, which in the main is still in force, all foreign merchandise imported into Paraguay, not in the free list, is subject to a duty of 25 per cent ad valorem, the value to be fixed in accordance with a schedule of appraisement (*tarifa de avalúos*) framed for that purpose by a committee of merchants at Asunción. The values given by this schedule form the basis upon which the custom-house authorities make their calculations and regulate the duties to be paid in each case. Mr. Van Bruysel says that it is safe to state that the value of the merchandise as given in the schedule is always about 20 per cent less than the real actual value.

This duty of 25 per cent ad valorem is changed into 30 per cent on all articles made of silks, and on ordinary table wines, and

beer. It is changed into 40 per cent on clothing, hosiery, saddlery, harness, and carriages. It is increased to 50 per cent on fire-arms, powder, shot, alcohol, fine wines and liquors, perfumery, tobacco, cigars, and matches. But it is decreased to only 10 per cent on jewelry and precious stones, live animals for breeding purposes, agricultural machines and implements, machinery for industrial purposes, steamboats, locomotives and railway material, printing presses and printing material, scientific instruments, gas and water pipes, fence and telegraph wire, gunpowder for blasting purposes, Portland, Blocky, and Roman cements, gold, silver, iron, or copper in bars or plates, coal, resin, soda, printed books, maps, and globes, empty demijohns and bottles, seeds, remedies to be used in curing diseases of cattle, fresh fish, fresh fruits, wheat, barley, furniture, tools and goods belonging to immigrants when brought by them into the country and all articles to be used in the church ceremonials and rites when imported under the direction of the Bishop of Paraguay.

Under special laws, subsequently enacted, the import duties aforesaid have been increased in the following way:

A charge of 4 per cent additional on all dutiable merchandise, used for educational purposes, chiefly for the support of the National University.

Another additional charge of 8 per cent, ordered to be made by law of March 6, 1886, to be used in aiding the redemption of the national bank notes.

Under another law, passed July 1, 1892, the duties on ordinary table wines, common glassware, and common china were doubled.

According to Consul Shaw the import duties on the following articles have been increased as follows:

Duties on woven goods (with the exception of cotton), shirtings, prints, and point dress goods, woolen baize, beverages in general (with the exception of common table wine), porcelain, crystals, cut glass, fine furniture, fine china, hats and caps, manufactured hides

Bull. 54—5

and skins, saddlery, boots and shoes, musical instruments, watches, clocks, jewelry, common drugs and paints, special medicines and articles for the use of drug stores, arms, confections, haberdashery, lamps and their fixtures, and all other articles not mentioned in the tariff, have been trebled.

Duties on playing cards, tobacco in leaf, alcohol, cigars of all classes and wax matches have been quadrupled. Flour pays 19 per cent additional duty, under the law passed September 11, 1891.

Other laws have been enacted, either exempting from duty some particular merchandise, or reducing the rates to which under general legislation the imported articles are subject.

All telephonic material introduced by the National Telephonic Company is admitted free.

A law of April 27, 1888, reduced to 8 per cent the duty on corrugated zinc, or *zinc en canaletas*.

Export duties are levied on the following articles:

Yerba, or Paraguayan tea: ground, 25 cents per pound; in leaf, 30 cents per pound; *tobacco*, in leaf, tied with ibira grass, 25 cents per pound; tobacco in leaf, tied with wire, 15 cents per pound; *hides*, \$1 each.

The payment of import duties amounting to more than \$300 may be made in notes at sixty and one hundred and twenty days, with interest at $1\frac{1}{2}$ per cent monthly. The additional duties of 4 per cent for the support of the national college and superior education may be paid in notes at ninety days, and the additional duty of 8 per cent in notes at forty-five days, with interest at $1\frac{1}{2}$ per cent monthly. All other duties are payable in cash.

Under a law passed by the Paraguayan Congress on the 10th of October, 1892, the regular import duties are to be paid in gold, or its equivalent in the paper currency of the country, at the official rates; but those duties which, as before stated, are charged additionally, for special purposes, shall continue to be paid in the said paper currency.

To facilitate the operation of this law the Secretary of the Treasury was directed by one of its provisions to fix, every week, by agreement with the committee of liquidation of the National Bank, the relative proportion between gold and paper, and cause the rate to be published.

President Gonzalez said in his message above cited of April 1, 1893, to the Paraguayan Congress, that the Government receipts for duties on imports and exports during the year 1892 amounted to \$2,130,740.94, and that the law aforesaid of October 10, 1892, was working satisfactorily.

In 1870 the whole customs revenue was \$102,000. Between 1870 and the date of the promulgation of the present customs law in 1883 the revenue increased slowly up to \$442,000. In 1885, under the operation of the new law, it jumped to \$1,437,900.31. Ever since it has continued to increase steadily and without intermission.

About \$500,000 worth of goods are yearly imported free from duty in Paraguay. About 48 per cent of these free articles are sent from Great Britain; the balance is divided between all foreign nations in the following order: France, Italy, Germany, Spain, the Argentine Republic, Uruguay, and Belgium.

Custom-houses are established in Paraguay in the ports of Asunción, Villa Concepción, Villa del Pilar, Villa Humaita, Villa Encarnación, and San José-mi.

The revenue of Paraguay derived from customs duties amounted in 1891 to \$1,196,315.20, and in 1892 to \$2,131,506.46.—(British Report on Paraguay, No. 1357, by Consul Findlay, February 15, 1894.)

(2) PORT DUES AND CHARGES.

As stated in the Appendix to the Report of the Committee on Port Dues of the International American Conference, held at Washington from 1889 to 1890, the port dues charged at Paraguay were chiefly as follows:

Tonnage on vessels not exceeding 50 tons, \$5; from 51 to 100 tons, \$10; from 101 to 200 tons, \$20. Entry and clearance for vessels of 200 tons, \$25; and for each additional 50 tons, \$5. Bill of health, \$2. Legalization of documents, \$1.

In a report dated February 14, 1892, submitted by Mr. Arthur Herbert, "On the Finances and General State of the Republic of Paraguay," printed in the British Diplomatic and Consular Reports on trade and finance, the following is said:

Special port dues charged in all ports.—Every article of importation and exportation must pay the following duties (Law, June 3, 1891):

Native manufactured products, etc., 2 cents per kilo, dead weight.

Wines, spirits, etc., in casks or demijohns, 2 cents per litre.

Liquids in bottles, 80 cents per cent.

Porcelain, crystals, glass and cut glass; china, fine and common; musical instruments, 2 cents per kilo, dead weight.

Furniture, hats, hides and skins; saddlery; boots and shoes; jewelry, watches; and clocks; drugs and paints; medicines, hardware, firearms, woven goods, manufactured goods, and haberdashery, 60 cents per cent.

Excepting the following:

Articles loaded or landed without making use of docks.—Salt, lime, coal, and charcoal; chalk, timber, palms, canes, oranges, sugar canes, tomatoes, plantains, pineapples, sawdust, bark for tanning, bones, caragnatá, stones, bricks made in the country, all animals and goods transported from one part of the Republic to another.

There are no pilot, anchorage, or light-house charges.

This branch of the public revenue yielded in the four years above named the following amounts: In 1887, \$2,849.50; in 1888, \$3,031.65; in 1889, \$3,093.45; and in 1890, \$3,047.30.

(3) SALES AND LEASES OF PUBLIC LANDS.

The land law of 1885, which is given in the Appendix, imparted great activity to the sale and lease of public lands, and contributed thereby considerably, not only to the agricultural development of the country, but also to the increase of the national revenue.

The sales of lands and yerbales yielded in four years as follows: In 1887, \$1,686,244.02; in 1888, \$1,788,302.99; in 1889, \$815,304.28, and in 1890, \$324,873.79.

The leases of lands and yerbales yielded in the same period as follows: In 1887, \$23,891.42; in 1888, \$31,309.75; in 1889, \$14,055.75, and in 1890, \$12,653.50.

The whole revenue, out of both sales and leases, yielded in 1891 \$190,328.10; and in 1892 \$371,340.47.

As stated in Chapter VIII, a vast extent of public lands is still at the disposal of the Government, which will be willing to depart from the ownership thereof, under the provisions of the law above cited, at prices almost nominal, and on the most liberal terms.

(4) TAXATION ON REAL ESTATE.

The law taxing real estate in Paraguay, printed in this Hand Book as Appendix No. 4, was passed on December 22, 1891. The rules and regulations, also published in the same Appendix, which were enacted to facilitate the execution of the said law, were not enacted until February 24, 1892. The Bureau of the American Republics has no knowledge of the practical results of this legislation, nor has it ever received any information officially about the workings thereof.

(5) STAMPS, STAMPED PAPER AND OTHER REVENUE.

The stamped paper and telegraph receipts, which in 1887 yielded only \$89,026.33, produced a revenue of \$122,613 in 1888, of \$127,982.31 in 1889, and of \$120,130.01 in 1890.

The patents, or licenses, of commercial houses yielded, in 1887, \$8,785.06; in 1888, \$9,894; in 1889, \$11,821.81; and in 1890, \$10,131.59.

GOVERNMENT EXPENDITURES.

The Government expenditures for 1892 were \$3,829,569.21, distributed as follows:

Expenditure as per budget.	\$1, 888, 868. 15
Extraordinary expenditure.....	411, 201. 04
Expenditure sanctioned by special laws.....	825, 846. 01
Manufacture of stamped paper, stamps, etc.....	53, 885. 65
Payments made.....	31, 200. 07
Amortisation.....	618, 568. 29
Total.....	3, 829, 569. 21



THE CATHEDRAL AT ASUNCION.

Chapter XIII.

FINANCIAL CONDITION.

As stated by Consul Shaw in his report of December 14, 1891, "the Paraguayan debt, both foreign and domestic, is, perhaps, proportionately the smallest of any country in the world;" but in spite of this most favorable circumstance, the financial condition of the Republic has been of late subjected to considerable embarrassments and difficulties, depending principally upon the serious troubles which have afflicted of late the Argentine markets and the other markets on La Plata River.

President Gonzalez said, in that portion of his message which was quoted in the chapter of this Hand Book, entitled "Commerce," that the influence of the said troubles in the financial business of Paraguay had often rendered the task of putting an end to the crisis brought about by them a matter of great difficulty; but that under the wisdom of the measures taken and the never-failing determination of the Government to meet its engagements faithfully, the condition of things in Paraguay was taking day by day a more favorable aspect.

Prior to 1866 Paraguay had no debt, either foreign or domestic. In the struggle against Brazil, the Argentine Republic, and the Republic of Uruguay the resources of the Government were exhausted, and for the first time in the history of the country a foreign loan was negotiated. A second transaction of the same kind was consummated in the following year. These two loans,

both of them negotiated at London, amounting to 3,000,000 pounds sterling (\$15,000,000), represented by bonds bearing 8 per cent interest, were the basis and foundation of what is called the "British debt."

The history of the vicissitudes through which this portion of the public indebtedness of Paraguay has passed is well known. Now, under arrangements made in December, 1885, the whole debt was reduced to 850,000 pounds sterling, represented by bonds of £100 each. On February 14, 1892, the amount due had already come down gradually to \$4,150,500.

The interest is promptly paid, and with the overplus remittances made to England a sinking fund has been started, which at the date aforesaid—December 14, 1891—had been sufficient to purchase back 68 bonds, representing a capital of \$340,000.

In addition to the British debt, which does not cause Paraguay any practical embarrassment at all, there are the so-called Brazilian and Argentine indemnities, amounting on the 31st of December, 1890, with accrued interest, the former to \$9,876,466 and the latter to \$9,563,990; also a loan from the Argentine National Bank representing \$42,590.

The Brazilian and Argentine indemnities were the result of the war. According to the terms of the triple alliance of Brazil, the Argentine Republic, and the Republic of Uruguay, the war was to be waged, not against the Paraguayan people, but against Lopez, and in order to secure his overthrow. The same thing was officially stated in the International American Conference, of 1889-'90, at Washington. But at the conclusion of the struggle the Paraguayan territory was dismembered and Paraguay had to agree to refund the cost of the war and indemnify those who had suffered by Lopez's invasions of Brazilian, Argentine, and Uruguayan territory.

The Republic of Uruguay, by treaty, under date of April 30, 1883, magnanimously waived her claims to indemnity, and shortly

afterwards returned to Paraguay the Paraguayan battle flags and trophies which had been taken from her during the war.

No other foreign debts than those represented under the four heads above described are due by Paraguay. There is, however, a domestic or internal debt, represented by bonds bearing $1\frac{1}{2}$ per cent per month, which at the end of 1891 had been reduced to \$200,000.

From the British report for 1892, elsewhere mentioned in this Hand Book, the following information on the Paraguayan securities, quoted in the London Stock Exchange, has been extracted:

(1) *Paraguayan External Debt*.—Agents in London, Messrs. Robarts, Lubbock & Co. Present amount, \$4,160,500. Interest on the bonds, 3 per cent from July 1, 1891, to June 30, 1896, and 4 per cent thereafter. Secured by a sufficient part of the receipts of the custom-houses of the Republic.

(2) *Paraguayan Land Warrants*.—Present amount, \$504,500. These warrants were issued in discharge of the matured coupons of the loans of 1871-'72, each holder of \$500 of such coupons receiving a warrant entitling him to about 145 acres of public lands in Paraguay, said lands to be free from any special tax or import. There have been ceded in this way, up to 1892, 2,177,344 acres of Paraguayan public lands, and in order to utilize them the Anglo-Paraguayan Land Company was organized, the warrant-holders being invited to exchange their warrants for shares in the company at the rate of \$500 of warrants for two fully paid-up shares of \$25 each, a condition being that the warrant-holders should subscribe 90 per cent for 4 per cent or 5 per cent debenture stock of the company in respect of every \$500 warrants exchanged. In July, 1890, warrants to the amount of \$6,909,500 had been exchanged for shares. Land warrants could also be exchanged for land certificates of the company, and in 1890 they had been so exchanged up to the amount of \$113,500.

(3) *Anglo-Paraguayan Land Company*.—Present amount, \$257,650. (See above 5 per cent debenture bonds.)

(4) *Paraguayan Central Railway Company*.—Present amount, \$4,570,000. The Republic guarantees 6 per cent of the purchase price of the railway from Asuncion to Villa Rica (92 miles), and like rate on \$30,000 per kilometer of construction beyond that place. Working expenses for purposes of guarantee are fixed at 65 per cent of gross receipts.

This company was formed to acquire and work the Government railway from Asuncion to Villa Rica, and to extend the same from the latter place to Villa Encarnación, a further length of 136 miles. The railway in 1892 was open to Yuti, 50 miles beyond Villa Rica. The purchase price was, as far as Villa Rica, \$2,100,000, half cash, half in 6 per cent preference shares.

Opposite Villa Encarnación is Posadas, the terminus of the Argentine North Eastern Railroad.

Chapter XIV.

CONSTITUTION AND GOVERNMENT.

Since the 24th of November, 1870, Paraguay has had a constitutional government, republican in its form. Upon the death of Lopez, and when the allies, finding no one to fight, took possession of the capital, a committee of twenty-one of the most respectable surviving citizens elected a triumvirate, consisting of Don Cirilo Antonio Rivarola, Don Carlos Loizaga, and Don José Diaz Bedoy, to administer the Government and reorganize the affairs of the country. Under their action a convention, consisting of sixty delegates freely elected by the people, met at Asunción on the 15th of August, 1870, and framed the Constitution, under which Paraguay is still ruled, and which was promulgated, as aforesaid, on the 24th of November of the same year.

This Constitution declares Paraguay to be a republic, and vests the administration of its government in three coequal powers, called legislative, executive, and judicial.

The legislative power is vested in an assembly called "National Congress," which meets at Asunción every year, and consists of a Senate and a Chamber of Deputies. Both Senators and Members of the House are elected by the people, by universal suffrage, in the proportion of one Senator for each 12,000 inhabitants, and one Deputy for each 6,000.

The Senators are elected for six years and can be reelected, but one-third of their number has to retire every two years.

The Deputies are elected for four years, but half of their number must retire every two years.

Measures affecting the finances of the nation are to be originated in the House of Deputies.

The executive power is vested in the President. In case of death or inability of the President, the Vice-President, who is *ex officio* the President of the Senate, shall act in his place.

Both are elected for four years, by an electoral college, and can not be reelected except after an interval of eight consecutive years.

The President is assisted in the exercise of his functions by a cabinet (ministerio) consisting of five ministers, whose official titles are as follows: Ministro de Relaciones Exteriores (Secretary of Foreign Relations), Ministro de Hacienda (Secretary of the Treasury), Ministro de Justicia, Culto é Instrucción Pública (Secretary of Justice, Worship, and Public Instruction), Ministro del Interior (Secretary of the Interior), and Ministro de Guerra y Marina (Secretary of War and the Navy).

The principle of ministerial responsibility is recognized by the Constitution.

Subordinate executive authority is vested in the districts in their respective prefects and other subalterns.

The judicial power is vested in a Supreme Court of Justice, sitting at Asunción, and consisting of one Chief Justice and two Associate Justices. It is a court of last resort, and is intrusted also with the duty, political in its character, as is the case in the United States of America, of passing upon the constitutionality of any law, or matter brought to its attention in judicial shape. Dr. E. de Bourgade de La Dardye says that one of the glories of the judicial authority in South America is that the said authority has always been maintained in its full dignity and independence, and that even in those countries in which the power of a dictator, or of any other kind of autocracy, has prevailed for a time, it has effectually resisted arbitrary demands.

A high officer called "El Fiscal," whose functions in many respects are analogous to those of the Attorney-General of the United States, assists the Supreme Court in the determination of criminal cases, or of other cases in which, under the law, he is called upon to intervene in defense of justice and as the representative of the Government.

Below the Supreme Court there are in Paraguay five courts exercising original or appellate jurisdiction, according to the nature of the case, and administering justice in the following way: two of them in civil cases exclusively, the third one in criminal causes, the fourth in cases of minor offenses, acting more or less as a police court, and the fifth in cases of contention between merchants and arising out of commercial transactions.

Each town of certain importance has also a justice of the peace.

The full text of the Paraguayan Constitution is printed in Appendix F.

The Civil, as well as the Commercial Codes of the Argentine Republic, with certain changes and amendments, are in force in Paraguay. Their provisions are founded substantially on the principles of the civil Roman law.

There is a Penal Code, and a Rural Code, and a Code of military law, and several statutes regulating in the proper manner all branches of the public administrations. All these laws have been collected and published in one volume by authority of the Government.

The Paraguayan army consists at present of one battalion of infantry, 1,000 men strong, two squadrons of cavalry with 1,500 men, and one battery of artillery with 750 men. The total standing force is 3,250 men.

In addition to this force, there is a national guard which may be called out in any emergency. Every Paraguayan between the ages of 20 and 50 is bound to serve.

The Paraguayan navy consists now of one gunboat of 440 tons, carrying 4 guns, and two smaller gunboats.

Paraguay is represented diplomatically in Buenos Aires and in Montevideo by Ministers resident, and by Consuls-general, or other consular officers, in other countries. The Argentine Republic, Uruguay, and Brazil have legations at Asunción. The United States have an Envoy Extraordinary and Minister Plenipotentiary resident for both Paraguay and Uruguay, the place of residence being Montevideo. All other nations are represented by Consuls.



A SCENE IN ASUNCION, PARAGUAY.

Chapter XV.

RELIGION AND PUBLIC INSTRUCTION.

The religion of the State is the Roman Catholic Apostolic; but the free exercise of all other forms of worship is allowed.

The Paraguayan hierarchy consisted in 1889 of one Bishop, residing at Asunción; of 6 curates, or pastors, each one at the head of a parish for the same capital, and 38 for the country parishes.

Primary instruction for children of both sexes is compulsory since the 1st day of November, 1881. The Spanish language, which is the official language of Paraguay, is taught in all the schools. The use of the Guarani language, which was generally spoken among the masses of the people, especially in the country, is gradually disappearing. It is now prohibited within the precincts of the colleges and the university.

All educational matters are conducted and regulated by a superior council of education (*Consejo superior de educación*), consisting of seven members, serving for four years. There is also a Superintendent of public instruction.

The Secretary of State for the Department of Justice, Worship, and Public Instruction is *ex-officio* President of this council. The President of the Republic makes all other appointments.

The number of public primary schools in Paraguay in 1891 was 139, with an average attendance of 16,000 scholars of both sexes.

Secondary instruction is imparted by five colleges, also supported by the Government, and established at Asunción, Villa Rica, Villa Concepción, Villa Encarnación, and Villa del Pilar.

The National University, at Asunción, is an establishment of high rank, with a collegiate department and a law school. The former covers a period of six years, with a very liberal curriculum, embracing the French, English, German, and Spanish languages, in addition to Latin and Greek and history, philosophy, and natural sciences. The law school is perfectly organized.

Connected with the university is the largest library in Paraguay, consisting of over 3,000 volumes, "remarkably well selected," says Consul Shaw, most of them in Spanish and French. Consul Hill says :

It has less rubbish than I remember ever to have seen in a library of limited size. Nearly all the books are recent publications, and in paper, typography, and binding the best productions of the presses of Paris and Madrid.

There is also a seminary for the education of young ladies.

Consul Hill says that in 1888 "a start was made in the way of normal school training. The services of an energetic and conscientious lady teacher from the United States were secured. She came here with the advantage gained by three years' experience in Guatemala, where she had mastered the Spanish language. Her work here as a teacher of teachers, after the best methods in vogue in the most advanced educational institutions of our own country, has necessarily to result in great permanent good to the school system of Paraguay."

In 1888 the sum of \$160,000 was actually disbursed by the Government for the purposes of public instruction, in all its branches.

The educational fund of the Government consists of the following :

- (1) A certain sum set apart from the general taxes.
- (2) Ten per cent of the proceeds of all sales of public lands and yerbaes.

(3) An additional 3 per cent as soon as the domestic or internal debt is fully paid.

(4) All fines in general.

(5) Everything which falls into the hands of the Government and becomes national property under the head of vacant inheritances, successions, etc.

(6) One-half of the proceeds of judicial sales.

(7) A yearly tax of \$1 per capita on each male person over 22 years of age domiciled in Paraguay.

(8) Four per cent of the customs dues is set apart for the support of the university and college.

According to Consul Shaw's report (1891), the college of Asunción had 205 students and 15 professors; the college of Villa Rica, 93 students and 3 professors; the college of Villa del Pilar, 43 scholars and 4 professors; the college of Villa Concepción, 23 scholars and 4 professors, and the college of Villa Encarnación, 21 scholars and 4 professors.

Bull. 54—6

Chapter XVI.

RAILROADS, TELEGRAPHS, TELEPHONE, AND POSTAL SERVICE.

On the 22d of September, 1892, Mr. Edmund Shaw, U. S. consul at Asunción, submitted to the State Department of the United States of America a special report on the subject of the present chapter, which reads as follows :

RAILWAYS.

The only railway at present in operation in Paraguay is managed by private enterprise, known as the Paraguayan Central Railway Company, Limited, with head offices in London. One-half of the railway is controlled by English capital and the other half by the Paraguayan Government. When the Government sold one-half to the English company, they made a contract to the effect that the road should be extended from Villa Rica by said company to Encarnación, on the Alto Paraná River, a distance of 132 miles, within five years. One-half of the work to the River Pirapó has been completed, but, owing to the financial crisis and the failure of the contractors (Perry, Cutbill & Co.), the remaining half is incomplete.

The average rate of freight per ton per mile is equal to $2\frac{1}{2}d.$ (English).

Passenger rates per mile are as follows: First class, 3 farthings (English); second class, $2\frac{1}{4}$ farthings; third class, three-fourths of 1 farthing.

There are 150 miles of line in operation. The number of persons employed is as follows: Maintenance of line, 270; workshops, 90; stations and telegraph, 112; administration, 30; total, 502.

The rates of wages are as follows: Laborers, £1 10s. monthly; station masters, £1 10s. to £5 monthly; mechanics, £2 10s. to £5 monthly; clerks, £2 to £8 monthly; head officials, conventional. The above rates are calculated at the present rate of exchange.

All receipts are collected and all wages paid in the paper currency of the country, with the exception of some salaries of head officials, which are paid in gold.

For the year ended October 31, 1891, the gross earnings were \$391,743 (paper), equal to £17,807; net earnings, £1,862. For the year ended October 31, 1890, the gross earnings were \$286,633 (paper), equal to £34,327, and the loss on working £494. The falling off in the gold equivalent in 1891 is occasioned by the advance in the gold exchange from \$8.35 (paper) to £1 in 1890 to \$22.05 (paper) to £1 in 1891.

The approximate cost of the road per mile is £6,800.

Up to within a few months the railway has not been a paying institution, owing to the financial crisis and general mismanagement. The railway was placed upon the London money market on April 29, 1889. The capital was £482,930, and £210,000 6 per cent preference shares were given to the Government of Paraguay in part payment of the line from Asunción to Villa Rica, and the remaining issue was £272,930 in ordinary shares and £400,000 in 5 per cent debentures. The guaranty of the Government upon the line was 6 per cent for 20 years for a cost not exceeding £6,000 per kilometer on a length of 219 kilometers. The number of passengers carried during the year 1888 was 257,688 and the amount of traffic \$161,550; in 1889, 235,407 passengers and \$286,632 traffic; in 1890, 275,480 passengers and \$286,633 traffic; and in 1891, 300,206 passengers and \$391,743 traffic. All the traffic is calculated in the depreciated paper money.

In June, 1892, work was commenced extending the main line of the tramway from Villa Morra, a suburb of Asunción, to San Lorenzo, a distance of 9 miles. Mr. Ogilvie, an Englishman, the owner of the line, purchased two engines from the Porter Car Works, Pittsburg, Pa., of 13 tons each, which are now in satisfactory working order; also six English engines and coaches. The line will be completed within six months, and run by steam from the railway station in Asunción to San Lorenzo, a distance of 9 miles, opening up an excellent agricultural district and giving the people of Asunción a mode of rapid transit which has been a long-felt want. From the railway station, connecting with the steam line, under the same management, are horse trams running in all directions along the principal streets, with a service second to none in South America.

TELEGRAPHS.

There are two lines of telegraph—one, owned and operated by the Government, from Asunción to Paso de Patria, the limit of Paraguayan territory, and the other by the railroad from Asunción to Pirapó, on the river of the same name.

Messages are sent at the rate of 40 cents (paper) for ten words; over ten words, a trifle cheaper. The number of persons employed by the railroad is 20; by the Government, 8. Wages range from \$50 to \$150 (paper).

It is impossible to get any information as to the net and gross earnings of the system.

The number of miles of Government wire is 210; on railways, 150 miles of wire. The approximate value is: Government, \$500 (gold) per league (3 miles); railway line, \$250 (gold) per league.

The proportion of the persons employed in the telegraph service who are also included in the railway service is 20 per cent.

It is impossible to get any data in regard to the telegraph, as the head of the office does not seem disposed to furnish it. But I might say from personal observations that the line has not been a success financially. Owing to high water and camp fires, the line is interrupted for days at a time. At Paso de Patria the line breaks, there being no cable over the Alto Paraná River, which is 3 miles wide. Communication is by canoe, which takes messages over in the morning to the Argentine side and returns to the Paraguayan side at night. An important telegram is often delayed ten to fourteen hours. Another great loss to the line is the burning of their posts, which could be easily overcome by placing in such parts of the camp where these fires rage a number of iron posts. The life of an ordinary wooden post is from seventy-five to one hundred years.

ELECTRIC LIGHT.

Although in the midst of a financial crisis, building and improvements are going ahead in rapid strides. In fact, within the last year and a half more material has been used in building and improvements than for some years previous. The Hotel Caucha has a very fine electric-light plant, which, with a little improvement, is capable of furnishing light and motive power to the entire business and residence portion of Asunción.

TELEPHONE

And last, but not least, is the telephone system, which has proved a grand success, not only rendering important service to the business men, but bringing the suburban towns in close communication with the capital. Each person desiring a telephone pays a fee of \$25 (paper) for placing his name on the list and \$10 (paper) per month. At the present rate of exchange (September, 1892), with a tendency to rise, it is seen at a glance that the service is exceedingly cheap.

One hundred kilometers of the Paraguay Central Railway, from Villa Rica to Yuti, was opened to the public with great ceremony.

The Congress of Paraguay has approved the project for the construction of another railway, to be known as the Asunción and Santos Railway, and has authorized a contract to be entered into with the Viscount de Abert, who has already obtained a like concession from the Government of Brazil for that portion of the road to be constructed within Brazilian territory. This is one of the most important schemes now contemplated in South America, and will be the means of opening direct communication by rail from the sea at Santos, Brazil, to Asunción, the capital of Paraguay, thus saving thousands of miles in both sea and river transportation, and shortening considerably the distance between Paraguay and the United States. The road will run almost due east, on the twenty-fifth parallel of south latitude, from Asunción, in Paraguay, to Curitiba, Brazil, 525 miles, and then in a southeasterly direction 110 miles to Santos, where is one of the finest harbors on the Atlantic coast, and from which more than three-fourths of the entire coffee crop of Brazil is now exported.

A contract has been entered into also between the Government of Paraguay and Mr. Manuel Obert de Thiensios for the construction of a railway from Asunción to the Brazilian frontier, having all necessary branches. This road is to be built and opened to public traffic within four years. The Government guarantees the payment of 6 per cent interest on \$30,000 per kilometer, and the company will have the right to condemn land for stations, track, beds, etc., to use all necessary timber, stone, etc., for construction purposes, to establish colonies, and to work any mines which may be found on their lands. The colonists settling on the lands of the company will be exempt from direct taxation for ten years, and will be permitted to import their agricultural and household supplies of every description for the same period. The company is also granted the right to import free of duty all the

necessary machinery, cars, and other supplies. This road is intended to be a part of a transcontinental railway from Asunción to Santos, on the Atlantic Ocean, and will pass through the towns of Enboscada, Arroyos, San Estanislao, and Villa Igatimi.

There are four classes of coaches in use, the third and the fourth classes being occupied by the poorer people, mainly women.

First class fare is 4 cents per mile.

The movement of the postal service is shown by the following results:

In 1888 the sales of stamps and stamped envelopes and wrappers were \$11,293.78; in 1889, \$12,936.27, and in 1890, \$15,680.70.

The unstamped correspondence yielded, in 1888, \$239.58; in 1889, \$75.65, and in 1890, \$43.60.

The receipts from post-office boxes were, in 1888, \$1,045.60; in 1889, \$1,396.80, and in 1890, \$1,479.20.

According to the *Diario Oficial* of December 3, 1893, the postal movement in Paraguay in 1892 was as follows:

Private letters.....	469, 783
Printed matter.....	603, 149
Postal cards.....	14, 101
Sample s.....	1, 830
Official communications.....	46, 275
Registered letters.....	36, 812
Total.....	1, 171, 950

Chapter XVII.

HISTORICAL SKETCH.

Consul Hill says, very aptly :

In order to properly appreciate the present condition of Paraguay, the character of its institutions, and its future prospects, a cursory glance at its past is absolutely necessary. No nation has been more completely broken than, and none has so barely escaped utter extinction through the adverse fortunes of war, as has this interesting Republic, and yet, to-day, scarcely a score of years since the close of the late war * * * the country is on a firmer basis than ever before, and * * * can look to the future with complacency and some degree of confidence.

Nothing is known of the primitive inhabitants of Paraguay. Sebastian Cabot was the first white man who, in 1526, navigated the Paraná and the Paraguay rivers, and passed by the present site of the city of Asunción. The first settlement in Paraguay was made in 1536 by a set of 300 Spanish colonists under the command of Juan de Ayolas, said settlement being a fort on what was supposed to be a route to the gold fields and silver rivers of Peru. This fort in the course of time became the city, which is now the capital of the Republic, and was given the name of Asunción, because, as before stated, the work for its construction began on the 15th of August, a day set apart by the Church for the commemoration of the assumption of the Blessed Mother of our Lord.

Ayolas having been killed by the Indians was succeeded *pro tem.* by Capt. Martinez de Irala, one of his followers, and somewhat

later, permanently, by Don Alvaro Nuñez Cabeça de Vaca, who reached Asunción in 1542.

Hernando Arias de Saavedra was the first native of the country ever entrusted there by Spain with supreme authority. This was in 1591. He believed that the policy of extermination, by war, or otherwise, which thus far had been the only one adopted in regard to the native races, could, to the great advantage of all concerned, be set aside and abandoned, and replaced by a policy of moderation and fair treatment, through religious influences. It was at his suggestion, in 1608, that King Philip III entrusted the Society of Jesus with the duty of carrying out the new policy.

The first Jesuits arriving in Asunción were Fathers Salonio, Field, Ortega, José Cataldino, and Simon Maceta. They landed at Asunción in 1609.

The influence of the Society of Jesus continued more or less unabated in Paraguay until the famous decree of King Charles III, issued in 1767, ordering the expulsion of all the members of that order from the dominions of Spain.

The invasion of Spain by the French, the abdication of Charles IV in favor of his son Ferdinand VII, the captivity of the latter, and the accession of Joseph Bonaparte to the throne of Spain, caused in Paraguay the same effect as in the rest of Spanish America, and paved the way to its independence. An assembly of Paraguayan deputies, which inaugurated its sessions on the 11th of June, 1811, passed a resolution by which all allegiance to Spain was renounced. A subsequent Congress, whose first meeting was held on October 1, 1813, ratified this declaration of independence, resolved that Paraguay should thereafter be a Republic, devised and adopted for it a national flag, and vested the Government, or the executive branch thereof, in two consuls, to be elected annually.

The first consuls so elected (October 12, 1813) were Don José Gaspar Rodriguez Francia, a Doctor of theology, and Don

Fulgencio Yegros. Difficulties having arisen between these functionaries, a new Congress decided (October, 1814) to make Dr. Francia Dictator for three years. After the expiration of this term, another Congress (1817) proclaimed, by a decree, that Dr. Francia's dictatorship was perpetual.

Upon the death of Dr. Francia, on September 20, 1840, a provisory Government was created at Asunción, consisting of four military officers of high rank under the Presidency of the Mayor of Asunción, Don José Manuel Ortiz; but shortly afterwards (January 23, 1841) this board, or *junta*, was superseded by a triumvirate, which, in its turn, was abolished by order of Congress (March 12, 1841) and replaced by the old consulate. The Consuls chosen were Don Carlos Antonio Lopez and Don Mariano Roque Alonzo, the latter a soldier of high rank, who had commanded the national army.

In 1844, at the expiration of the term of office of the two Consuls, the form of government was modified by Congress and a law was passed vesting the executive authority in a Chief Magistrate under the title of President of the Republic and serving for ten years. Don Carlos Antonio Lopez, having been elected for this position, completed his term of office in 1854, and then he was reelected, first for three years, and in 1857 for ten more. He died, however, on the 10th of September, 1862, and the Government fell into the hands of his son, Don Francisco Solano Lopez, at first as acting President, and almost immediately afterward (October 16, 1862), by an act of Congress, as President of the Republic, for ten years.

Upon the refusal by the Argentine Republic of the right of transit through her territory of certain troops, which were intended to operate against Brazil, the Paraguayan Congress issued (March 18, 1865) a declaration of war against the former country, and this brought in the alliance between Brazil, the Argentine Republic, and Uruguay, by whose action Paraguay was almost annihilated.

Lopez died on the field of battle on the 1st of March, 1870.

A committee of 21 prominent citizens undertook the reorganization of the country. The administration of the Government was temporarily intrusted to a triumvirate, consisting of Don Carlo Antonio Rivarola, Don Carlos Loizaga, and Don José Díaz Bedoy. These gentlemen worked faithfully, and fulfilled their delicate mission, to the satisfaction of all. The difficulties of their work had been rendered graver by the fact that the enemy had not yet evacuated the Paraguayan territory. The old electoral districts were re-established as far as practicable, and a constitutional convention consisting of 60 members elected by the people, was called to convene. This convention met on the 15th of August, 1870, and the constitution which it framed and proclaimed on the 24th of November following is still in force.

Don Carlo Antonio Rivarola was elected President under the new regime, and ever since the functions of the Executive have been successively performed by Don Salvador Jovellanos, Don Juan Bautista Gill, who died while in office on April 12, 1877; Don Hipolito Urarte, who was called as Vice-President of the Republic to complete the term of President Gill; Don Cándido Barreiro, Gen. Don Bernardino Caballero, Gen. Don Patricio Escobar, Gen. Don Juan C. Gonzalez, elected November 25, 1890, and the present incumbent, Señor Don Marcos Morinigo, who assumed the reins of the government on June 3, 1894.

Chapter XVIII.

BIBLIOGRAPHICAL NOTES.

The following list of principal publications on Paraguay may be found of interest:

OFFICIAL PARAGUAYAN PUBLICATIONS.

- (1) Anuario Estadístico de la República del Paraguay, año de 1887. (Statistical Year Book of the Republic of Paraguay, year 1887). Asunción, 1888.
- (2) The same for 1890. Asunción, 1891.
- (3) Mensaje del Presidente de la República presentado al Congreso Legislativo de la Nación (Message of the President of the Republic submitted to the Legislative Congress of the Nation). Asunción, 1892.
- (4) Sobre la cantidad de leguas de terrenos públicos aproximadamente, la calidad de ellos, sus producciones, etc. Informe por orden de S. E. el Señor Presidente de la República del Paraguay (Report made by order of His Excellency the President of the Republic on the approximate number of square leagues of land belonging to the state, their respective qualities, their products, etc.). Asunción, 1871.
- (5) Revue du Paraguay. Publication officielle (Review of Paraguay. Official publication). Asunción. It is published on the 24th of each month.
- (6) Notice sur la colonie "Presidente Gonzalez," dans le département de Caazapa (Information on the President Gonzalez Colony, in the department of Caazapa). Asunción, 1891.
- (7) The same translated into English. Asunción, 1892.
- (8) El Diario Oficial (The Official Daily). Asunción.
- (9) Administración escolar. La Escuela Moderna. Órgano del Consejo Superior de Educación. República del Paraguay. (Government of the Schools. The Modern School. Organ of the Superior Council of Education.) Asunción. Published periodically.

- (10) *Braine-le-Conte*. La République du Paraguay. (The Republic of Paraguay, by Braine-le-Conte.) Bordeaux, 1889.
- (11) *Criado* (M. A.) Guide de l'émigrant au Paraguay (Guide of the emigrant to Paraguay). Asunción, 1889.

UNITED STATES OFFICIAL PUBLICATIONS.

- (1) Report on Paraguay, its commercial, industrial, and political condition, by E. L. Baker, Consul of the United States at Buenos Ayres. December 15, 1883. (U. S. Consular Reports. No. 39, March, 1884.)
- (2) Report on the Yerba Mate or Paraguayan tea, by E. L. Baker, Consul of the United States at Buenos Ayres, November 30, 1882. (Consular Reports. No. 28, February, 1883.)
- (3) Report on "the history, geography, resources, people, products, government, commerce, etc., of Paraguay," by Frank D. Hill, Consul of the United States at Asunción. January 23, 1889. (Consular Reports. No. 104, April, 1889.)
- (4) Report on Paraguay, its situation, resources, products, government, people, commerce, etc., by Edmund Shaw, Consul of the United States at Asunción. December 14, 1891. (Consular Reports. No. 138, March, 1892.)

BRITISH OFFICIAL PUBLICATIONS.

- Paraguay. Report for the year 1891 on the finances and general state of the Republic of Paraguay. (Diplomatic and Consular reports on trade and finance. No. 1006, April, 1892.)
- Paraguay. Report for the year 1893 on the finances and general state of the Republic of Paraguay. (No. 1357, May 1894.)

FRENCH OFFICIAL PUBLICATIONS.

- Paraguay. Commerce d'exportation et d'importation du Paraguay en 1892. (Commerce of importation and exportation of Paraguay in 1892.) Rapports commerciaux. No. 124. Paris.

GERMAN OFFICIAL PUBLICATIONS.

- Report on Paraguay in Deutsches Handels Archiv. 1891. Berlin.

NONOFFICIAL PUBLICATIONS.

- (1) Le Paraguay par le Docteur E. de Bourgade La Dardye. Paris. 1889.
- (2) Paraguay; the land and the people, natural wealth and commercial capabilities; by Dr. E. de Bourgade La Dardye. English edition edited by E. S. Ravenstein, F. R. S. S. London. 1892.

- (3) *La République du Paraguay*; par Ernest Van Bruyssel. Bruxelles, 1893.
- (4) *Argentina, Uruguay, Paraguay*; guidà per l'emigrazione; per Giulano Corniani. Milano.
- (5) *Revista del Paraguay*. Ciencias, literatura y artes. Director propietario, Enrique D. Parodi. Periódico mensual. Buenos Ayres, 1891.
- (6) *The History of Paraguay*; with notes of personal observation, and reminiscences of diplomacy under difficulties; by Charles A. Washburn. New York, 1871.
- (7) Azara (Félix de). *Voyages dans l'Amérique Méridionale*.
- (8) Demersay. *Histoire physique, économique et politique du Paraguay, et des établissements des Jésuites*. Paris, 1865.
- (9) Du Graty (Alfred). *La République du Paraguay*. Bruxelles, 1865.
- (10) Förster (Bernhard). *Einiges über Paraguay*. In *Deutsche Kolonial-Zeitung*, November, 1887.
- (11) Johnston (K.). *Paraguay*. In *Geographical Magazine*, July, 1875. London, 1875.
- (12) Kennedy (A. J.). *La Plata, Brazil, and Paraguay during the war*. London, 1869.
- (13) Lambel. *Le Paraguay*. Tours, 1878.
- (14) Mansfield (Charles). *Paraguay, Brazil, and the Plata*. London, 1866.
- (15) Masterman (G. F.). *Seven eventful years in Paraguay*. London, 1869.
- (16) Mulhall (M. G. and E. T.). *Handbook to the River Plata Republics, etc., and the Republics of Paraguay and Uruguay*. London, 1885.
- (17) Page (Commander Thomas G.). *La Plata, the Argentine Confederation, and Paraguay*. Narrative of the exploration of the tributaries of the river La Plata and adjacent countries during the years 1853, 1854, 1855, and 1856, under the orders of the United States Government. New York, 1867.
- (18) Thompson (George). *The Paraguayan war*. London, 1869.
- (19) Toeppen (Dr. Hugo). *Hundert Tage in Paraguay*. Hamburg, 1885.
- (20) Tschudi (Joh. Jak. von). *Reisen durch Südamerika*. Leipzig, 1866.

Appendix A.

PRESIDENT HAYES' AWARD.

RUTHERFORD B. HAYES,

PRESIDENT OF THE UNITED STATES OF AMERICA.

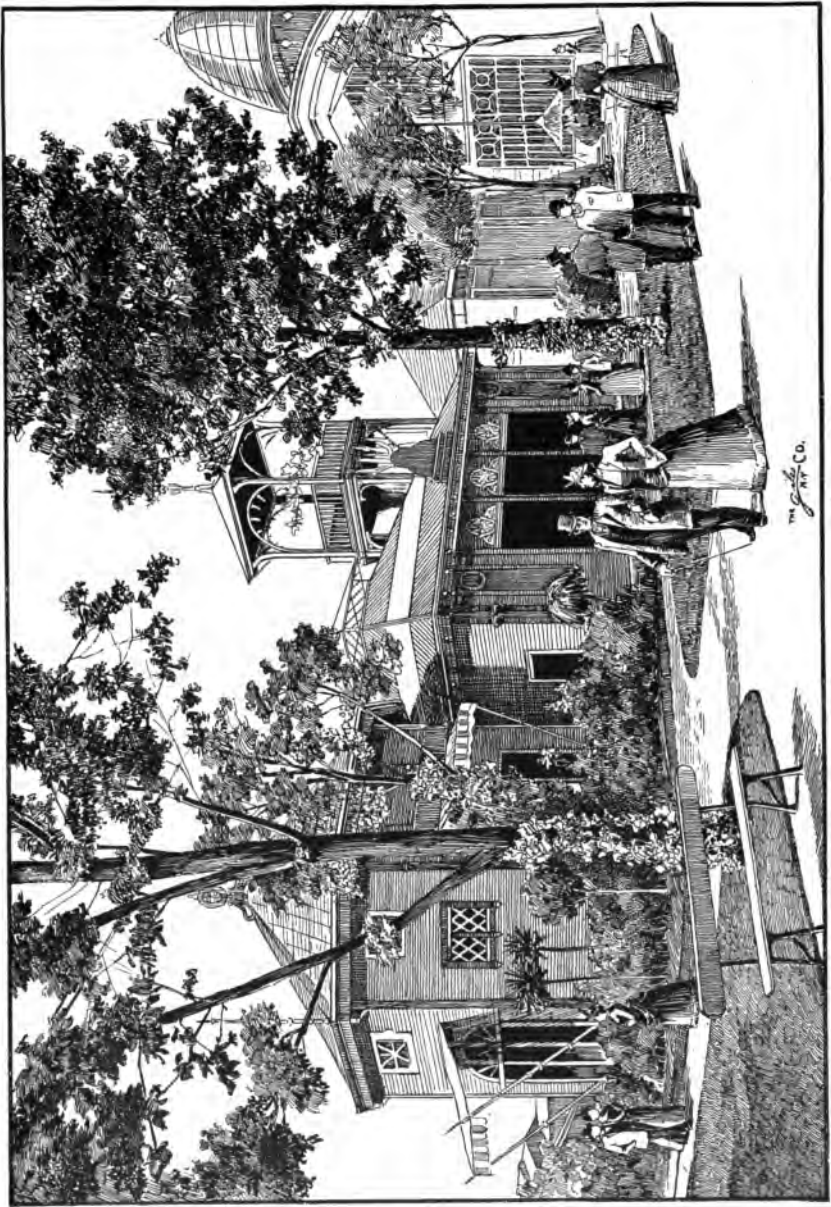
To all whom these presents may concern, greeting :

Whereas, pursuant to the fourth article of the treaty of limits between the Argentine Republic and the Republic of Paraguay, of the 3rd of February, one thousand eight hundred and seventy-six, it was stipulated that ownership in or right to the territory between the river Verde, and the principal arm of the Pilcomayo River, including the city of Villa Occidental should be submitted to the definite decision of an arbitration.

And whereas, by the fifth article of the same instrument, the two high contracting parties agreed to elect the President of the United States of America as umpire to decide as to the right to possess the said above-described territory,

And whereas the high contracting parties have within the stipulated time presented their invitation to the proposed umpire, which was accepted by him, and have, also, duly presented their respective memoirs, and the documents, titles, maps, quotations, references, and all the antecedents which they judge favorable to their rights, as provided in the sixth and eighth articles of said treaty :

Now, therefore, be it known, that I, Rutherford B. Hayes, President of the United States of America, having duly considered the said statements and the said exhibits, do hereby determine that the said Republic of Paraguay is legally and justly entitled to the said territory between the Pilcomayo and the Verde rivers, and to the Villa Occidental situated therein, and I, therefore, do hereby award to the said Republic of Paraguay, the territory on the western bank of the river of that name between the Rio Verde and the main branch of the Pilcomayo, including Villa Occidental.



PARAGUAY BUILDING AT THE PARIS EXPOSITION.

In testimony whereof, I have hereunto set my hand and caused the seal of the United States to be affixed.

Done in triplicate in the city of Washington the twelfth day of November, in the year of our Lord one thousand eight hundred and seventy-eight, and of the Independence of the United States of America the one hundred and third.

[SEAL.]

R. B. HAYES.

By the President:

WM. M. EVARTS,
Secretary of State.

Appendix B.

REPORT ON VERBA MATE DE PARAGUAY TEA.

By United States Consul, BASEL, at Buenos Aires.

and in receiving a number of letters from parties in the United States making inquiries in regard to what is known in South America a *yerba mate* or Paraguayan tea, some requesting me to send specimen of the article for trial, others asking in reference to the possibility of cultivating the plant in the United States, and others still desiring to be informed if it would pay to import it as an article of commerce. I have answered some of these letters, but it may serve a better purpose for me to communicate what I know in regard to the matter in the form of a report to the Department of State, through which medium it will secure a larger publicity.

DEMAND FOR THE TEA IN THE ARGENTINE REPUBLIC.

I would premise by stating that the article referred to forms one of the largest items in the foreign commerce of the Argentine Republic, and occupies pretty much the same place in the household economy here that tea or coffee does at home. The demand for it, which exists in this country (to say nothing of Chile, Bolivia, Peru, and Brazil, where it is perhaps even more generally used) will be readily seen from the custom-house returns.

Beside the large quantities which are produced in the Argentine territory of Misiones, the following table, compiled from figures obtained from the national statistical reports,* shows the quantities and values of the imports of *yerba mate* into the country during the years named:

Year.	Import of yerba mate.			
	From Paraguay.		From Brazil.	
	Amount.	Value.	Amount.	Value.
	<i>Kilos.</i>	<i>Dollars.</i>	<i>Kilos.</i>	<i>Dollars.</i>
1876	1,677,325	527,377	6,680,054	1,090,112
1877	2,874,170	821,814	7,820,174	1,037,657
1878	2,827,124	417,643	6,411,846	740,262
1879	3,071,023	517,416	10,170,666	1,260,086
1880	4,071,555	627,141	6,016,516	1,064,827
1881	5,175,277	601,105	8,354,413	1,075,867

* Estadística del Comercio con el Extranjero Argentina 1876-81.

By way of comparison I would state that during the same time the following were the imports of the Chinese tea and of coffee into the Argentine Republic:

Year.	Imports of tea.		Imports of coffee.	
	Amount.	Value.	Amount.	Value.
	<i>Kilos.</i>	<i>Dollars.</i>	<i>Kilos.</i>	<i>Dollars.</i>
1876	195, 199	189, 940	1, 245, 097	314, 381
1877	312, 876	296, 015	1, 288, 525	375, 605
1878	195, 915	189, 306	1, 401, 202	421, 943
1879	307, 564	301, 977	1, 456, 381	446, 299
1880	280, 806	274, 549	1, 804, 784	498, 588
1881	288, 948	272, 858	1, 886, 553	538, 356

It will be seen by these figures that the amount of yerba mate imported into the Argentine Republic every year is about six times greater than the total amount of tea and coffee combined, and that the value of the same is twice as great as that of both together, to say nothing of the amount which is produced in the country, amounting to perhaps half as much again, thus entitling it to be called the Argentine national beverage.

WHAT IS YERBA MATE?

This yerba mate* (*Ilex Paraguayensis*, De Candolle; *Ilex mate*, Aug. St. Hilaire; *Peoralia glandulosa*, Limé) is a species of holly, and grows in abundance between the twentieth and thirtieth degrees of south latitude, but especially in the neighborhoods of the Upper Paraná and Uruguay rivers. It is a tree of the size and appearance of the orange, but more delicate, and, like it, it retains its leaves during the entire year. The leaf is oval, not so long as that of the orange, of a dark green color of metallic brightness, with very marked veins. The blossom is not very conspicuous and leaves behind it a berry containing small seeds of fatty albumen.

Like all other trees of the holly family the mate contains a bitter element, and to this slight bitterness is added a peculiar and rather agreeable aroma, both in the leaves and in the young twigs. These are the parts of the tree or shrub which, when gathered and dried, are known as "yerba mate," and which is so generally used as a drink or tea throughout this part of South America. This beverage is not a discovery made by the Spaniards, who settled the country, but it seems to have been used by the Indian tribes "since time whereof the memory

* Description géographique et statistique de la confédération Argentine; par V. Martin de Moussy; vol 1, pp. 428 et seq.

of man runneth not to the contrary." The Guaraní Indians, who in early times inhabited the banks of the Uruguay and Paraná rivers, imparted the secret to their conquerors, who were not slow in appreciating its virtues and adopting its use, until it has become a leading article of commerce and has its place with the lares and penates of every native household.

WHERE IT COMES FROM.

The yerba mate, as an article of commerce, comes from three principal sources, to wit: Paraguay, the Brazilian province of San Paulo, and the Argentine territory of Misiones. The most highly esteemed comes from Paraguay, the next is that from Misiones, while the yerba of San Paulo, shipped from Paranaguá occupies the lowest rank. Formerly, and especially during the time that Jesuits had their seat in this country, the harvesting was done with particular care, the Indians under their direction separating the leaves according to their different degrees of development, and laboriously removing the little twigs and the stems and ribs of the leaves. In fact, it was in many places cultivated artificially and the different missions had their own plantings of yerbales, the trees being carefully tended and protected. Thus they gave more abundant harvests and the leaves ripened more completely.

But all the formerly cultivated yerbales have disappeared, and those that remain in the deep forests of the Upper Paraná are, many of them, quite worn out.

Only in Paraguay has the old method been even partially continued; and the yerba mate from there, although much dearer in price, is really more economical, as it is stronger and more aromatic.

PARAGUAY MATE.

In Paraguay the Government has the monopoly of the sale of all the yerba mate which is produced in the country.

The yerbales are spread over almost the entire surface of the Republic; but the most famous now are those of Tacuru-pucú, a desert sort of a place not far from the great falls of the Upper Paraná River and the southern slopes of the Sierra de Maracayú. It is gathered and cured, sometimes under the superintendence of the Government officials of the departments in which it is found and sometimes by private individuals who receive permission to work on prescribed conditions and deliver the produce to the Government.

In the more remote places, and especially in the neighborhood of hostile Indians, the Paraguayan Government generally employs its soldiers in the work of harvesting the yerba mate. When worked by officials the workmen are

drafted from the neighborhood, as for any other public work, and are paid in cured yerba, or in goods, such as wearing apparel, etc., with which the Government keeps itself supplied for that purpose, and on which it gains the usual percentage. When worked by individuals the general rule is to allow them one-third of the yerba cured, they paying all expenses.

ARGENTINE MATE.

The yerbales of the Misiones, now under cultivation and worked, are for the most part situated in the deep bend which the Uruguay River makes towards the northwest of the province of Rio Grande do Sul, belonging to Brazil; but there are others equally productive in the neighborhood of the village of San Xavier, from which place the yerba mate is sent to Itaquay, a somewhat important town on the Uruguay, whence it comes by rivers to this port.

As the Argentine Government makes no proprietary claim to the product, the yerbales of western Misiones are all worked by individuals, who have no further concern for them than to make all they can out of their labor. Were the forests better protected from spoliation by the Government, the industry, now that Misiones has been organized under a territorial government, might acquire a great development.

HARVESTING OF THE YERBA.

The harvesting of the yerba mate is a very simple process. Before commencing the work the patron or superintendent selects his location, having in view the quantity of material and the facility of transportation, and erects the necessary buildings, consisting generally of a shed, 50 or 60 feet in length, for storing the goods and provisions that he may have and the yerba that he collects; also a number of small huts or dwellings for the workmen, and the frames (*barbacuas*) upon which the material is dried. These are constructed of poles and withes, from 15 to 20 feet square, with arched or angular roofs, and firm, even floors, made of clay, extending 6 or 8 feet beyond the frames on all sides, for the convenience of pulverizing the material after it is dried. Near each *barbacua* is erected a stand or elevated seat, from which the foreman may watch the drying process and make such changes in the disposition of the material as he may deem necessary. Each workman climbs a tree, and with a large knife or facon cuts off all the small branches bearing leaves until the tree is quite stripped. These branches, made up into small bundles, are borne to the drying frame and lightly heaped on top. Under this is then lighted a clear, though not very hot fire, under the influence of which the yerba mate is gradually dried.

It is important that the brush used for fuel should contain no bad element,

but, on the contrary, should be aromatic, upon which the quality of the yerba, in a great measure, depends.

This toasting process occupies from thirty-six to forty-eight hours, the fires being kept up from daylight till 7 or 8 o'clock p. m. If it rains upon the material while in process of drying, it is necessary to spread it out and redry it; and yerba which has been so made is not considered so good for preservation and is generally sold for home consumption. When the drying process is completed, the fire is removed and the floor is swept off, and the dry material, being worked through the frame, falls to the floor and is pounded with flat wooden instruments until reduced to the condition of a coarse powder, and it is gradually removed to the storehouse as it becomes so.

Sometimes it is pounded in a wooden mortar, or it is put through a sort of crushing mill, which consists of a circular stone, worked in a trough by a mule or horse. The yerba is then packed in hide bales, made by cutting the raw hide even, doubling it lengthwise, and sewing up the sides with hide thongs. These bales are first softened in water and are then packed with the yerba, which is done by settling it well with a heavy wooden pestle, and gradually closing up the open end until the bale will contain no more. The hide then, contracting as it dries, increases greatly the compactness of the whole, and it is ready for transportation. These bales are termed *tercios*, the larger ones containing from 200 to 250 English pounds. They are loaded either on horseback or in carts, according to the localities, and sent to the ports of shipment on the rivers.

The workmen are paid at the rate of about 25 cents per arroba (25 pounds) for the cured yerba, as it is brought from the *barbacua*, and a packer makes about 6 cents per arroba, the hide being found by the employer.

Where the yerbales are worked by private parties the gatherers of the yerba sell their crop of the day to the proprietors of the crushing mills, which are generally established near by.

The packing of the yerba in hides, which requires particular care, is done principally in the neighboring towns or in establishments made especially for the purpose.

I would state that the leaf of the yerba mate, or the tree, is evergreen; can be gathered all the year round. It is better, however, at the end of summer, though very little notice is taken of this circumstance.

The greater portion of the yerba mate produced in the southern provinces of Brazil is exported from the port of Paranagua, on the Atlantic coast. In Paraguay no yerba mate is permitted to be exported except from the city of Asuncion, as the trade is a monopoly of the Government and the greatest source of its national resources. It comes down in the river boats either to this city or

Montevideo, whence what is not required for local consumption finds a market elsewhere.

The duty on yerba mate imported into the Argentine Republic is 6 cents per kilogram on the customs valuation, which is 13 cents per kilogram on that imported from Brazil and 15 cents on that from Paraguay.

HOW YERBA MATE IS USED.

As I have stated, the use of the yerba mate is general among the native population of the Argentine Republic, as well as of all the adjacent countries.

While coffee and Chinese tea are to some extent adopted by them in Buenos Aires, in the interior the universal beverage is Paraguayan tea; and in many cases foreigners who have lived in the country for years become equally fond of the drink. The taste, however, is, to a great extent, an acquired one, and most Europeans who live here prefer the Chinese tea.

In Paraguay the yerba mate is almost exclusively made use of, and even in the interior of Brazil, in spite of the fact that coffee is the leading article of production, there seems to be a preference for yerba mate.*

The analysis shows that yerba mate contains caffeine, the principle existing both in coffee and Chinese tea, and it is claimed that it not only possesses the mildly exhilarating qualities of the Chinese plant, "which cheers but not inebriates," but that it also has other virtues which make it more valuable as a tonic or strengthening beverage. Indeed, when used to excess, it even produces a kind of intoxication. The preparation of the beverage, though very simple, is very different from that of tea. A small spoonful or pinch of the powdered yerba is placed in a kind of gourd, which is called a mate, and in which is previously inserted the *bombilla*, a silver tube, the lower bulb of which is pierced with very small holes (small, to keep the powder from passing in), and which serves to suck the liquid. Water boiling hot is then poured in, and the tea is ready for use. The true amateurs of the beverage, in the country principally, take

*Some attempts to cultivate Chinese tea in São Paulo and Minas proved a sad failure, as the quality produced was a very inferior one; whether from the effects of the climate or bad management I can not tell. Certainly the patient, slender-fingered son of the "Celestial Empire" seems to be better suited to the subtle work of gathering and sorting the leaves than the negro. But they have an excellent equivalent for it in Brazil, the Paraguay tea (*Ilex Paraguayensis*), also called "herva mate" or "congonha," growing wild everywhere in the southern provinces of Brazil, and forming already a considerable article of export. An infusion of the dried and pounded leaves, imbibed through a delicately plaited little tube (*bombilla*), is the indispensable natural beverage of all classes, etc. (The Amazon and Madeira Rivers: Sketches and Descriptions from the Notebook of an Explorer, by Frank Keiler, Engineer, London, 1874.)

their mate without sugar (*mate amargo*). In the city, however, it is taken with powdered sugar, which is put into the gourd each time that it is replenished. It is also sometimes flavored with orange or lemon. The mate is imbibed very much as we would take a "sherry cobbler," though the process is considerably slower from the fact that it is taken very hot, and it requires great care for an inexperienced person to keep from scalding his tongue and throat. When tepid the mate loses its aroma and becomes insipid. Some of these mate cups are beautifully worked in figures and bound in silver, while the *bombillas* are also handsomely wrought, the whole costing many dollars.

In nearly all native houses the mate circulates almost continuously all day long. It is the offering made to all guests, and the same mate cup and tube do service for all who are present, each one, as the cup is replenished, taking turns at the *bombilla*. To refuse to take mate when offered would be considered rude, if not an insult to country hospitality.

Many persons, especially ladies, give themselves up to the use of mate, drinking it in excessive quantities, and thus contracting a lazy habit, which, as I am informed, in time weakens the digestive organs, causing loss of appetite, and consequently debilitating the vital economy.

In traveling, however, its virtues are very conspicuous, since by its use hunger is in a remarkable manner postponed. An Argentine *gaucho*, for instance, will take a mate or two in the early morning, and gallop his horse all day long, requiring nothing more in the way of food or drink until nightfall, when he will break his fast with the only "square" meal of the day.

So, too, with the drivers of the long caravans of bullock carts, which traverse the limitless pampas, laden with wool and hides for Buenos Aires, or with return cargoes of assorted merchandise for the country stores (*pulperías*). Before breaking camp in the morning, all hands will indulge in a general round of mate drinking, and they will not make a halt for refreshments until they go into camp again at nightfall, when they will partake of a benevolent dinner of beef or mutton, killed on the spot, and roasted on spits in front of their camp fires. But inveterate mate drinking is not confined to old ladies and the denizens of the pampas. It has "come down from a former generation" as a sort of official institution which has become venerable with time and must not be interfered with. And every day, in all the public offices, both of the nation and of the province, the hours of siesta* are set apart to a great extent for an indiscriminate bout at the mate cup, all employés, from the grave minister of govern-

*"Siesta" is the hottest part of the day, and the time for napping, generally from 1 to 3 o'clock, but it is not so universally indulged in here as in the "camp." In many places business is entirely suspended during these hours.

ment to the porter who guards the door, taking their turns at the bombilla, much to the delay, sometimes, of those who have business to be dispatched.* The habit of mate-drinking is easily acquired, and I do not hesitate to say that it is very agreeable, especially in the morning, upon rising, or in the middle of the day, between meals. There is no doubt, however, that it weakens the appetite if it is taken before eating; but even Chinese tea will do that.

CAN THE PLANT BE ACCLIMATIZED IN THE UNITED STATES?

So much for the yerba mate—its growth, its harvesting, its marketing, and its use in the Argentine Republic.

The question now recurs, in answer to the various letters I have received on the subject, whether it would be feasible to undertake to introduce this Paraguayan tea, either by acclimatizing the plant or by importing the product, as an article of domestic use into the United States.

(1) Can the plant (*Ilex P.*) be grown in the United States? In my opinion, there is no reason why it would not thrive in any of the extreme Southern States and in California. The success of the Jesuits in establishing artificial *yerbales* at *Yapecú* proves that it will flourish in the thirtieth degree of south latitude, and I do not see why it could not be cultivated up to an equal latitude in the United States. I have seen it stated that the plant has been tested on the island of Martin Gracia, opposite Buenos Aires, in the River Plate, and M. de Monsse, the French savant, to whose investigations I am indebted for much information on the subject, thinks its cultivation could be undertaken anywhere in the Argentine Republic as far south as the province of Corrientes with success. I am informed that the yerba grows perfectly well from the seed, but it is delicate for the first few years and needs the best of care and arbor culture; but, from what I have seen of the yerba forests of Paraguay, I should judge that when once well set there would be no further trouble so far as the plantations are concerned; but whether the leaf would retain its delicate aroma and other essential qualities under different conditions and surroundings is a question which can

* I have before me the *Prensa*, a newspaper of this city, of the date of November 29, which, in an article on "official abuses," is quite severe on this habit of official mate drinking. I translate the following paragraph:

"In the public offices the official only attends the public from 2 to 3 o'clock or from 3 to 4, in order that nobody may interrupt him at the hour of taking mate. When mate is suppressed in the public offices the Government will lose the aspect of town grogshops (*despachos de aldea*), and the administration of business will gain much in promptitude and regularity. Messieurs ministers and chiefs of bureaus, we denounce mate as a grand conspirator against the public interests, and especially against labor in the public offices."

only be solved by actual experiment. The plant, however, seems to prefer a subtropical climate, and I would not advise anyone to undertake its cultivation on a grand scale in the United States without first experimenting with it; and even if its cultivation were attempted, it might result as the various schemes for introducing the Chinese plant have done.

(2) I would therefore suggest to parties who are desirous of attempting the inauguration of the use of the yerba mate in the United States, that they confine themselves for the present to the importation of the article. There is no difficulty in the way of doing this. The article is so securely packed in hide bales that it will stand any amount of hard handling without detriment, while the steamers leaving this port for New York, to say nothing of sailing vessels, if preferred, would deliver it in less than a month from the date of shipment.

The price of the yerba in this market is 16 cents per pound for that from Paranagua (Brazil) and 32 cents for that from Paraguay. Where it is purchased in quantities (in the tercios) it can be obtained for \$4.60 to \$4.80 per arroba of 25 pounds, and in bags at \$2.20 to \$2.80 per arroba. That from Brazil, in barrels, sells for about \$2.50 per arroba.

It must be borne in mind, however, by those who propose to engage in the trade, that they will have to educate their customers into the manner of preparing the tea, and especially into the mysteries of the mate gourd and the tube. Indeed, perhaps they would have to order a shipment of the articles in question along with the mate, since they are entirely unknown to the trade in the United States.

Any further correspondence on the subject will be duly turned over by me to those who deal in the verba.

Appendix C.

PARAGUAYAN LAND LAW OF 1885. AGRICULTURAL PREMIUMS LAW OF 1890.

I.—PARAGUAYAN LAND LAW OF 1885.

ARTICLE 1. The Executive is hereby authorized to sell the public lands, in accordance with the stipulations of this law.

ART. 2. The public lands shall be divided into five classes, as follows:

(1) Lands of the first class are those in the following departments: San Lorenzo del Campo Grande, San Lorenzo de la Frontera, Ipane, Guarambare, Villosa, Villa Oliva, Villa Franca, Villa del Pilar, Villa Humaita, Luque, Limpio, Emboscada, Arroyos y Esteros, Villa del Rosario, San Estanislao, Villa de San Pedro, Villa de Concepción hasta el Aquidaban, Aregua-Capiata, Ita, Itaugua, Pirayu, Yaguaron, Altos, Atira, Tobati, Caacupe, Barrero Grande, Caraguatay, San José, Itacurubi de la Cordillera, Valenzuela, Ibitimi, Paraguari, Acahay, Carapegua, Tabapy Quiiadi, Ibicui, Caapucu, Quiquio, Mbayapey, Villa Florida, San Miguel, San Juan Bautista de las Misiones, Villa Encarnación, Caazapa, Ihacanguazu, Villa Rica, Itape e Itacurubi del Rosario.

(2) Lands of the second class are those in the following departments: Pedro Gonzalez, Laureles, Yabebiry, Desmochados, Tacuaras, Guazucua, Isla Ombu, San Ignacio, Santa María, Santa Rosa, Santiago, San Cosmo, Bobi, Carmen del Paraná, Jesus y Trinidad, San Pedro de Paraná, Ytu, San Juan Nepomuceno, Mbncayaty, Yatahity, Hiaty, Ajos, Carayao, San Joaquin, Unión, Horqueta, San Juan Bautista de Nembucu, Lima y Tacuati, and the territory stretching from the confluence of the Aquidaban and the Paraguay to the Rio Apa, lands in the latter territory to be sold with an area five times the frontage solicited on the Paraguay.

(3) Lands of the third class are those comprised between the Pilcomayo and Villa Concepción in the Chaco territory fronting the Rio Paraguay and at a depth of 10 leagues inland.

(4) Lands of the fourth class are those situated in the Chaco from Villa Concepción to a distance of 10 leagues inland, and thence 20 leagues of the belt of territory comprised between the Pilcomayo and Villa Concepción.

(5) Lands of the fifth class are those not included in third or fourth.

ART. 3. The price of the lands of first class is hereby set down at 1,200 hard dollars in public funds per square league, the lands of second class at 800 hard dollars, the third class at 300 dollars, the fourth class at 200, and the fifth class at 100 dollars.

ART. 4. The purchase of the lands can be effected in four yearly payments; the first to comprise 25 per cent of the total amount, and to be paid at the Junta de Crédito Público in legal-tender money or in public-fund bonds, and with the intervention of the contador general. For the other payments three bills to order of the junta and at terms of one, two, and three years, with an interest of 6 per cent shall be signed.

ART. 5. All payments after the passing of this law for sales or renting of land in the fiscal territories shall be made in legal tender money or in public funds bonds.

ART. 6. Buyers are at liberty to pay their bills at any time with a reduction of 12 per cent per annum from the day of payment.

ART. 7. On the drawing up of the title deeds, the properties shall be mortgaged until expiration of term of payment in favor of the State.

ART. 8. To pay off the mortgage, the interested parties shall present at the ministry of interior their bills, and the necessary orders shall be issued to the registrador for the corresponding payment.

ART. 9. In case of nonpayment of bills at expiration of term the corresponding properties shall be sold. The Junta de Crédito Público shall sell these properties without the obligation of applying for judicial authorization. Thirty days' notice must be given in the papers that those properties are to be sold by auction. If the bills be paid a day at most before the auction takes place, under the conditions specified, the interested parties shall receive the properties, paying the cost of advertising, etc.

ART. 10. Pasture lands alone can be sold in fractions of not less than half leagues, the price to be paid in proportion. Interested parties in Chaco lands shall purchase an area depth ten times the frontage solicited.

ART. 11. Purchasers of fractions in the Chaco lands shall be entitled to a reduction of 50 per cent on the price stipulated in Article 4, on the conditions that during the term of payment twenty-five European families (a family consisting of three persons) to be settled on the lands in question.

A fraction of land, in reference to the preceding article, is understood to consist of one league front by 10 deep.

ART. 12. In case of several applicants for the purchase of lands, an auction shall be called, upset price being the amount stipulated, Article 3. Thirty days' notice must be given in the papers to this effect.

ART. 13. Lands that are not to be sold are the following: (1) Those lands especially excepted in virtue of previous laws. (2) Those lands the Executive may deem adapted for colonization purposes.

ART. 14. The following prices are the rents: \$250 for first class; \$200 for second class; \$150 for third class; \$100 for fourth class. Payments to be made in legal-tender notes or in public-funds bonds.

ART. 15. One year after the promulgation of this law, settlers who may not have purchased the land they occupy shall pay at the rate of 25 cents per square (cuadra) per annum, being at the same time entitled to buy the lands they occupy in preference to any interested party.

II.—AGRICULTURAL PREMIUMS LAW OF 1890.

The Senate and Chamber of Deputies of the Paraguayan Nation in Congress assembled sanction with the force of law—

ART. 1. The sum of two hundred thousand dollars annually shall be destined to foment agriculture and national industry for the term of ten years, to count from the promulgation of the present law.

ART. 2. For the carrying out of the foregoing article, the following premiums will be established annually and adjudged to agriculturists and industrials in the form that in continuation is expressed:

(1) Twenty premiums to those who cultivate a certain superficial area of tobacco on condition that this be dried in the shade, fermented, and submitted to the other manipulations indispensable for making it acceptable in foreign markets, according to rules laid down by the Executive power.

The said recompenses will be comprehended in the following categories:

(2) Two premiums of five thousand dollars each to him who cultivates an area that produces annually four thousand arrobas of tobacco.

(3) Two premiums of one thousand eight hundred and seventy-five dollars each to him who cultivates a superficial area that produces annually fifteen hundred arrobas of tobacco.

(4) Four premiums of one thousand two hundred and fifty dollars each to him who cultivates a superficial area that produces annually one thousand arrobas of tobacco.

(5) Ten premiums of six hundred and twenty-five dollars each to him who cultivates a superficial area that produces five hundred arrobas of tobacco.

(6) Three premiums of four thousand dollars each to those who cultivate fifteen thousand coffee plants the following year after first giving fruit.

ART. 8. The section of agriculture of the national bank is empowered to facilitate to the agriculturists who solicit them seeds and plants whose cultivation especially recommends itself; the repayment should be made at cost price.

ART. 9. The executive power will regulate the present law.

ART. 10. Communicate to the executive power.

Given in the Chamber of Sessions of the Legislative Congress on the 18th of December of 1890.

Appendix D.

LAND-TAX LAW OF PARAGUAY, DECEMBER 22, 1891.

ARTICLE 1. From January 1, 1892, all lands and buildings (private property) will be subject to a tax of \$3 per \$1,000 per annum on the assessed value.

ART. 2. Rural property will be valued without taking into account any class whatever of plantations or buildings in existence, understanding by this all constructions built outside of the commons of the villages.

ART. 3. The following are exempt from taxation :

Clause 1.—Property not exceeding in value \$1,000, unless the proprietor owns others in any place whose collective value will equal the said sum.

Clause 2.—National and municipal property, churches sacred to any worship, and buildings designed for schools, hospitals, houses of correction, and charity.

Clause 3.—Buildings in construction at the time of collecting the tax, deducting the value of the site.

Clause 4.—Property excepted by special laws from the payment of the tax.

ART. 4. The valuation of the property and the payment of the tax will be made at the time and in the manner fixed by the President.

The valuation appraised will continue in force during the term of the law, and the payment may be made in two installments.

ART. 5. Reclamations on the valuations assessed may be made to the board of public credit, whose decision will be final. •

ART. 6. Those who fail to pay the tax within the limit fixed by the President will be fined an amount equal to the tax due.

ART. 7. Persons who delay the payment of the tax will be summoned before a justice of the peace by the tax collector authorized by the President ; the certificate issued by the board of public credit will be a sufficient warrant for the execution thereof.

ART. 8. The only exceptions admitted of are want of ownership, false titles, or previous payment.

ART. 8. The section of agriculture of the national bank is empowered to facilitate to the agriculturists who solicit them seeds and plants whose cultivation especially recommends itself; the repayment should be made at cost price.

ART. 9. The executive power will regulate the present law.

ART. 10. Communicate to the executive power.

Given in the Chamber of Sessions of the Legislative Congress on the 18th of December of 1890.

Appendix D.

LAND-TAX LAW OF PARAGUAY, DECEMBER 22, 1891.

ARTICLE 1. From January 1, 1892, all lands and buildings (private property) will be subject to a tax of \$3 per \$1,000 per annum on the assessed value.

ART. 2. Rural property will be valued without taking into account any class whatever of plantations or buildings in existence, understanding by this all constructions built outside of the commons of the villages.

ART. 3. The following are exempt from taxation :

Clause 1.—Property not exceeding in value \$1,000, unless the proprietor owns others in any place whose collective value will equal the said sum.

Clause 2.—National and municipal property, churches sacred to any worship, and buildings designed for schools, hospitals, houses of correction, and charity.

Clause 3.—Buildings in construction at the time of collecting the tax, deducting the value of the site.

Clause 4.—Property excepted by special laws from the payment of the tax.

ART. 4. The valuation of the property and the payment of the tax will be made at the time and in the manner fixed by the President.

The valuation appraised will continue in force during the term of the law, and the payment may be made in two installments.

ART. 5. Reclamations on the valuations assessed may be made to the board of public credit, whose decision will be final. •

ART. 6. Those who fail to pay the tax within the limit fixed by the President will be fined an amount equal to the tax due.

ART. 7. Persons who delay the payment of the tax will be summoned before a justice of the peace by the tax collector authorized by the President ; the certificate issued by the board of public credit will be a sufficient warrant for the execution thereof.

ART. 8. The only exceptions admitted of are want of ownership, false titles, or previous payment.

ART. 9. In the case referred to in article 7 the presence of the owner is not necessary; if absent, the title relative to the payment will be extended in the following manner:

(1) To representatives, even if only incidentally in charge of the lands and buildings, without regard to their relations to the owner.

(2) To lessees or occupants; in default of either, a lawyer will be named to represent the absent owner.

ART. 10. Deeds of transfer of property can not be extended without the previous presentation of the certificate of the board of public credit, in which it is certified that the lands or buildings do not owe the tax.

ART. 11. The board of public credit will not issue the certificate mentioned in the preceding article unless the interested party presents at the same time the certificate of the accountant-general of the mortgage office, in which will be stated with exactitude the name of the buyer and seller, the site, limits, price, and area of the property to be sold.

Public notaries should render to the board of public credit a monthly statement of the deeds of transfer that may have been given, specifying the time required by the mortgage office. Infractors of these articles will suffer the penalty of suspension from office of from six to twelve months and a fine equivalent to ten times the amount of the tax due.

ART. 12. The fines referred to in the preceding article will be executed by the board of public credit by legal proceedings.

ART. 13. The price of sale of lands or buildings will be indisputable as regards valuation during one year for both the fiscal and the owner unless the land shall have been built upon or improved, in which case the existing buildings will be valued according to the articles of this law.

ART. 14. The President is empowered to nominate the necessary staff for the execution of this law, and to fix the recompense for their work.

ART. 15. The assessed tax vested in this law will continue in force for the term of two years.

ART. 16. The President shall make the rules and regulations necessary to carry the provisions of this law into effect.

ART. 17. Communications will be made to the President.

Executive decree (February 24, 1892), promulgating the rules and regulations necessary to carry the land-tax law into effect.

In conformity with the disposition of article 16 of the land-tax law the President of the Republic decrees:

VALUATIONS IN THE MUNICIPALITY OF THE CAPITAL.

ARTICLE 1. The formation of the general register of all private lands and buildings shall be intrusted to the office of assessed taxes.

ART. 2. Valuation of property in the municipality of the capital shall be made by boards of valuation, each composed of two members.

ART. 3. For the carrying out of the preceding article the municipality will be divided into six sections, as follows: First section, Cathedral; second section, Encarnacion; third section, San Roque; fourth section, Lambaré; fifth section, Recoleta, and sixth section, Trinidad.

ART. 4. All proprietors of landed property or buildings in the capital must declare, in the office of assessed taxes, during the month of May next, the property or buildings that they possess; if not, no claim can be made against the valuation placed by the assessors.

ART. 5. This declaration will be made on printed forms, which will be distributed by the tax office, on which must be set forth: (1) The name of the proprietor or firm, his domicile, and nationality; (2) the parish, street, and number in which the property is situated; if lands, the limits in case of no number; (3) the extent (yards of frontage and depth); (4) kind of building, ancient or modern, how many stories, and number of rooms it contains.

ART. 6. The proprietor who has not received the printed form referred to in the preceding article should demand it at the tax office.

ART. 7. The tax collector should carry a register, in order to note the information mentioned in article 5 in regard to valuation of the property and the amount that should pay taxes, without omitting the property exempted from tax from any cause.

ART. 8. The valuations once made in the time determined by the minister of finance, the tax office will distribute forms stating the amount to be paid by the owner, delivering them at this house.

For the carrying out of this article the assessors will deliver at the office before mentioned the registers formed according to article 7.

ART. 9. The tax office will proceed to form the general register from the information given by the registers of the assessors, and these will immediately be forwarded to the board of public credit in order to proceed in the delivery of the forms referred to in the preceding article.

ART. 10. The proprietors who have not received the forms should demand them from the tax office during the time which has been determined upon.

ART. 11. Reclaims on valuations may be made in writing to the board of public credit, whose decision will be final. The period for reclamations will be closed on the 31st of October next, and in case of valuations rectified the board

ART. 9. In the case referred to in article 7 the presence of the owner is not necessary; if absent, the title relative to the payment will be extended in the following manner:

(1) To representatives, even if only incidentally in charge of the lands and buildings, without regard to their relations to the owner.

(2) To lessees or occupants; in default of either, a lawyer will be named to represent the absent owner.

ART. 10. Deeds of transfer of property can not be extended without the previous presentation of the certificate of the board of public credit, in which it is certified that the lands or buildings do not owe the tax.

ART. 11. The board of public credit will not issue the certificate mentioned in the preceding article unless the interested party presents at the same time the certificate of the accountant-general of the mortgage office, in which will be stated with exactitude the name of the buyer and seller, the site, limits, price, and area of the property to be sold.

Public notaries should render to the board of public credit a monthly statement of the deeds of transfer that may have been given, specifying the time required by the mortgage office. Infraactors of these articles will suffer the penalty of suspension from office of from six to twelve months and a fine equivalent to ten times the amount of the tax due.

ART. 12. The fines referred to in the preceding article will be executed by the board of public credit by legal proceedings.

ART. 13. The price of sale of lands or buildings will be indisputable as regards valuation during one year for both the fiscal and the owner unless the land shall have been built upon or improved, in which case the existing buildings will be valued according to the articles of this law.

ART. 14. The President is empowered to nominate the necessary staff for the execution of this law, and to fix the recompense for their work.

ART. 15. The assessed tax vested in this law will continue in force for the term of two years.

ART. 16. The President shall make the rules and regulations necessary to carry the provisions of this law into effect.

ART. 17. Communications will be made to the President.

Executive decree (February 24, 1892), promulgating the rules and regulations necessary to carry the land-tax law into effect.

In conformity with the disposition of article 16 of the land-tax law the President of the Republic decrees:

VALUATIONS IN THE MUNICIPALITY OF THE CAPITAL.

ARTICLE 1. The formation of the general register of all private lands and buildings shall be intrusted to the office of assessed taxes.

ART. 2. Valuation of property in the municipality of the capital shall be made by boards of valuation, each composed of two members.

ART. 3. For the carrying out of the preceding article the municipality will be divided into six sections, as follows: First section, Cathedral; second section, Encarnacion; third section, San Roque; fourth section, Lambaré; fifth section, Recoleta, and sixth section, Trinidad.

ART. 4. All proprietors of landed property or buildings in the capital must declare, in the office of assessed taxes, during the month of May next, the property or buildings that they possess; if not, no claim can be made against the valuation placed by the assessors.

ART. 5. This declaration will be made on printed forms, which will be distributed by the tax office, on which must be set forth: (1) The name of the proprietor or firm, his domicile, and nationality; (2) the parish, street, and number in which the property is situated; if lands, the limits in case of no number; (3) the extent (yards of frontage and depth); (4) kind of building, ancient or modern, how many stories, and number of rooms it contains.

ART. 6. The proprietor who has not received the printed form referred to in the preceding article should demand it at the tax office.

ART. 7. The tax collector should carry a register, in order to note the information mentioned in article 5 in regard to valuation of the property and the amount that should pay taxes, without omitting the property exempted from tax from any cause.

ART. 8. The valuations once made in the time determined by the minister of finance, the tax office will distribute forms stating the amount to be paid by the owner, delivering them at this house.

For the carrying out of this article the assessors will deliver at the office before mentioned the registers formed according to article 7.

ART. 9. The tax office will proceed to form the general register from the information given by the registers of the assessors, and these will immediately be forwarded to the board of public credit in order to proceed in the delivery of the forms referred to in the preceding article.

ART. 10. The proprietors who have not received the forms should demand them from the tax office during the time which has been determined upon.

ART. 11. Reclaims on valuations may be made in writing to the board of public credit, whose decision will be final. The period for reclamations will be closed on the 31st of October next, and in case of valuations rectified the board

will deliver a new form, signed by its members, for payment of the corresponding amount, canceling the previous form issued by the tax office.

ART. 12. Reclamations will be heard by the board of public credit in all cases of wrong valuation by the official assessors, and their decision will be entered in the registers.

ART. 13. Payment of the tax will be carried out by the board of public credit, and may be made in two payments. The first payment will be made from January 1, 1892, to February 1, 1892, and the second from July 1, 1892, to August 1, 1892.

ART. 14. Taxpayers can not leave to the second date the total payment of the amount, nor, having paid the half of it in the first, can they allow the second term to pass without satisfying the balance, incurring a fine in either of the two cases.

ART. 15. The payments having become due, the liquidation of the receipts issued will be proceeded with and the discharge corresponding to the receiving office be forwarded to the minister of finance for the intervention of the accountant-general's office.

VALUATIONS IN COUNTRY DISTRICTS.

ART. 16. Valuations in the country districts will be made by two neighbors appointed by the President.

ART. 17. The registers should be finished by the commissioners before July 1 next, and immediately afterwards forwarded to the tax office, in order that said office may proceed to the distribution of the forms of valuation to the owners.

ART. 18. The commissioners should subject themselves entirely to the directions given in article 7, and in cases of appeal will proceed as in article 11.

Reclamations can be presented to the commissioners of valuations inside of the time mentioned in article 11, and they will remit the originals, accompanied by their respective report, to the board of public credit for its corresponding decision.

In case the proprietor prefers to present his reclamation directly to the board of public credit, they will consider the point after consulting the report of the commissioners.

ART. 19. Every owner of land outside of the public grazing must present the title of his property during the month of May to the commissioners, in order that they may take note of the name of the owner, the extent of the property, and its limits. The annotation must be made in the register in presence of the interested party, who must state in writing his conformity on the title deed jointly with the signatures of two members of the commission.

ART. 20. Proprietors whose title deeds happen to be in the capital can present

them before June 1, to be taken note of in the tax office. This office will insert the same statement on the title deed and communicate to the respective commissioners, in order that they may take note of the name of the owner, extent, and the limits of the land.

ART. 21. Proprietors who hold their titles and do not present them for annotation can make no claim against the valuation made by the assessor. They will also suffer a fine equal to the amount of the tax whenever it shall be discovered that they have paid the tax on a smaller scale than that mentioned in their title deeds.

ART. 22. The commissioners will deliver to the owner the form if the building is declared, or will leave it with the inmate if it has not been declared.

ART. 23. Payment of the tax that corresponds to the country districts should be made by the taxpayers to the board of public credit or to the commissioners of valuation.

GENERAL DISPOSITIONS.

ART. 24. The fixed term determined in article 13 having fallen due for payment to the board of public credit, they will proceed to recover from the debtors according to articles 7, 8, and 9 of the corresponding law.

ART. 25. The board of public credit will give notice to the debtors of overdue taxes by means of a form, ordering payment in fifteen days to those in the capital and in forty days to those in the country districts.

ART. 26. If this term has passed and the debtor has not paid, proceedings will be taken before the respective justice of the peace.

ART. 27. The debtor can at any time stop the execution by public sale against his property by presenting his receipt of payment issued by the board of public credit or commissioners and satisfy the cost caused by such execution.

ART. 28. Owners in the country districts who do not possess titles should present a declaration signed by the respective commissioners stating extent and limits of the property, which document will be filed in the tax office. Those who declare falsely incur the fine established in article 21.

ART. 29. Valuations of property will hold for two years, in accordance with article 4 of the law.

ART. 30. From March 1, 1892, no property can be transferred without first paying the tax corresponding to that year. Notaries who infringe this article will incur the penalty established in article 11 of this law.

ART. 31. The staff of the tax office and the remuneration that they shall receive, also the commissioners of valuations of the country districts, will be established by the President.

ART. 32. Let it be communicated, published, and given to the official register.

Appendix E.

INFORMATION ON THE PRESIDENT GONZALEZ COLONY.

The Government of Paraguay, anxious to satisfy the numerous requests for concessions of lands that are daily received, have founded recently a new colony in the department of Caazapá.

The land which consists of a surface of 12 square leagues is crossed by the railroad from Asuncion to Villa Encarnation.

It has been divided into blocks of 8 squares frontage by 8 squares deep, with a road on each of its four sides. Each block has been subdivided into 4 lots equal to 16 superficial squares (12 hectares).

The land is formed of a series of small hillocks of little height, and is traversed by brooks which come out of these same hillocks, and which never dry up. It is covered with virgin groves that contain timber of the finest quality found in the country.

The timber extracted from these groves can be made use of with the greatest ease on account of the proximity of the railway and will repay the colonists the expense of cutting. They can take advantage not only of the trees that are used for construction and furniture, but also of all those pieces of timber that do not serve for that end, but which can be sold for firewood or converted into charcoal, which is easily sold, be it in Asuncion or in the Argentine Republic.

The nature of the ground that feeds these immense virgin forests, peopled with tropical and subtropical plants, attached by immense filaments that, like monstrous serpents, wind themselves around the great trees receiving the air that cools them and the heat that forces the growth of their flowers of many colors, is sandy, dyed red by the oxide of iron with a great quantity of vegetable earth produced from the decayed vegetation.

From its topographic situation these lands are good for any cultivation. In the plain of the blocks sugar cane, tobacco, wheat, maize, potatoes, and peanuts can be cultivated, on the slopes coffee and wheat, in the valleys, rice and sugarcane.

The Spaniards cultivated wheat and the vine during the whole period of their occupation, and these cultivations did not cease until the epoch of the war.

Vines of from thirty to forty years are still to be found that produce fruit, notwithstanding having been reduced to a wild state.

Azara speaks of the cultivations in his description of Paraguay.

Of all these advantages the greatest consists in that, alternating the cultivation during a long period, you may sow the ground continually.

Maize is harvested as many as three times a year.

The Government, persuaded that colonization well directed, is one of the most efficacious means to obtain a spontaneous immigration, occupies itself seriously in the fomentation and growth of the colonies established in sundry parts of its territory.

With this object it is constantly seeking the improvement of the conditions of the existence, and future of the colonists.

For this reason, and because of the present colonization laws being deficient, the Government has united in a by-law the statutes that should rule the "President Gonzalez colony."

BY-LAWS OF THE PRESIDENT GONZALEZ COLONY.

ARTICLE 1. The land of the colony shall be divided in blocks of 8 squares frontage by 8 squares deep with a road on its four sides. Each block shall be subdivided into four lots equal to 16 superficial squares.

ART. 2. To each agricultural family two lots shall be delivered, or half a block, at the price of two dollars the square of 10,000 varas, payable in ten equal annual payments, or if the colonist prefers to pay at sight, one dollar the square. The colonist must also pay the expense or demarcation and of placing landmarks of his lots, such payment should not exceed four dollars for each lot of 16 squares, payable in 10 equal annual payments, and at sight, for those who pay cash.

A married couple is considered a family.

ART. 3. When the colonist has selected his lot the commissariat will extend a provisionary warrant of sale signed by the commissary of the colony and by the colonist, and registered in the general commissariat of immigration in Asuncion.

In this warrant of sale will be explained the extent of land, number of lots, conditions of sale, and an appendix containing these by-laws.

Two copies of each contract must be made out, of which the colonist shall keep one and the commissary the other. The definite titles to the property will be given two years after the colonist has established himself, and, in the case of

buying the ground on annual payments, will remain mortgaged for the sum that he remains owing for the land, expense of survey and placing landmarks, animals, tools, and subsidies.

ART. 4. If a family distinguishes itself by its industry and good conduct four lots more of land, 16 squares in each lot, may be conceded in the conditions contained in article 2.

The family that in the space of two years, counted from the date of their installation in the colony, have cultivated and sown 16 squares shall be presented with half a block of thirty-two squares.

ART. 5. Unmarried colonists are only admitted on being known as industrious laborers and of good conduct. A person unknown that wishes to be admitted as a colonist must work first at least six months, be it in the administration of the colony or with some other colonist.

ART. 6. To each family when they establish themselves, and solicit it, will be given the following:

(1) A handsaw, a whetstone, a pick with steel point, a small hatchet for each male colonist, a hatchet, a spade, a knife, and a hoe for every individual that can work with them.

(2) A milch cow and calf.

(3) A pair of oxen, a yoke, a pair of leather straps, and a long iron chain to draw timber.

A plough will be given to families that ask for it as soon as they have prepared (2) two squares of land for sowing.* All these objects will be delivered to the colonist at cost price and will be payable in three yearly payments at the end of the second, third, and fourth year after establishing themselves.

ART. 7. All the seeds that the colonists can sow the first year will be given to them free.

ART. 8. To the families that can not maintain themselves may be given, during the first six months of their establishment, a subsidy as an advance, (40) forty cents a day for each adult, for children the half; these advances must be returned, the half at the end of the fifth and half at the conclusion of the sixth year of establishment.

ART. 9. All advances made to colonists will be free of interest and only after the day on which they become due, the corresponding quota is not paid, then from the day they become due interest will be charged at the rate of 8 per cent a year.

ART. 10. In order to facilitate the purchase of the necessary food, the commissariat of the colony will cause to be killed as many cows as are necessary

* Oxen will be placed alternately at the disposition of families by the commissary of the colony for drawing timber.

each week, and the meat will be sold at cost price to the colonists; also a grocery store will be established where the colonist can buy every necessity at an equitable price.

ART. 11. In the first five years, counted from date of the establishment of the commissariat, no colonist can establish a house of business, drinking or clothes store, without previous authorization of the general commissariat of immigration.

ART. 12. All roads that pass by the colony will be cleaned and arranged by the commissariat of the colony, but a year after the establishment of the colony, the cost of this will be for account of the colonists, up to half the breadth of the road in the whole extension that touches their ground.

ART. 13. The colonist of bad conduct, incapable, or of abandoned habits, may be separated from the colony after being indemnified for the value of his work, as judged by arbitrators; in this case the amount of all advances made by Government will be discounted.

Equally, if a colonist for some justifiable motive wishes to retire from the colony, he can not do so without first paying all he owes, according to his accounts.

Any family will be considered as incapable or abandoned that after two years, counted from the date of their installation, has not cultivated and sown four squares.

ART. 14. Any question that may arise between colonists about superior rights, or the acquisition of any lot of ground, until such time as the definite titles should be made out, as also all questions between colonists and the commissariat of the colony, will be settled by the department of immigration, with right of appeal to the Executive power.

ART. 15. Colonists have a right, also, to the agricultural prizes established by the laws of the 20th and 22nd of December, 1890.

ART. 16. The administration of the colony will be composed of a commissary, an accountant-secretary, one or two overseers, according to the number of families, and corresponding labourers.

ART. 17. The obligations of the commissary are as follows:

(1) To put each family or colonist in possession of the lots that correspond to them.

(2) To look to the security of the colony and have at his orders the necessary persons.

(3) To look to the mending and cleaning of the roads.

(4) To keep a census of the colony, exact statistical data of the cultivation of the colony, and the yearly produce of the seed sown; to facilitate which, colonists are bound to render all the information asked for.

(5) To give the colonists all information they solicit and to assist them with his good advice.

(6) In case of quarrels amongst the colonists he must serve as friendly arbitrator, and in case of his not being able to arrange the question amicably, to serve them as interpreter, if necessary, before a competent judge.

(7) To take care that at the end of six months after their establishment a family should have planted twenty fruit trees and sown ten lines of one hundred varas of each thing, of maize, mandioc, mani, beans, sweet potatoes, sugar cane, and rice, wherever the ground should be suitable for their subsistence.

(8) To present each month to the minister to whom the care of the colonization department is intrusted, a report upon the state of the colony and work done in it.

ART. 18. The obligations of the accountant-secretary are as follows:

(1) To represent the commissary in his absence.

(2) To write the correspondence ordered by the commissary; to keep a register, where he notes the entry of all colonists, with the names of each, their nationality and trade; another book with notes of births and deaths in the colony, a cash book, a book of accounts current with the colonists, and a diary for the ledger, for the better regularity of the accounts kept.

The accountant-secretary should deliver to each colonist a small book in which should be noted, besides the sum owed for the purchase of the land, all that he receives or delivers, be it animals, tools, money, etc.; in the last pages of the book must be noted the dates on which sums to be paid become due.

These books shall be numbered, signed, and each leaf sealed by the commissary-general of immigration.

ART. 19. The overseer is obliged to execute the orders of the commissary, or, in his absence, of the accountant-secretary, divide the work between the labourers and look after them.

ART. 20. The colony will be exempt from the imposition of direct taxes for the space of ten years, to count from the day that the respective intendant constitutes himself there.

Let it be approved, communicated, and published.

GONZALEZ.

VENANCIO V. LOPEZ.

JOSÉ T. SOSA.

ASUNCION, 20th of December, 1891.

Appendix F.

CONSTITUTION OF THE REPUBLIC OF PARAGUAY SANCTIONED BY THE HONORABLE CONSTITUTIONAL CONVENTION ON THE 18TH OF NOVEMBER, 1870.

We, the representatives of the Paraguayan Nation, assembled by the free and spontaneous will of the Paraguayan people in national constitutional convention for the purpose of establishing justice, securing domestic peace, providing for common defence, promoting the general welfare and causing the benefits of liberty to be lasting for ourselves, our descendants, and in general all men who may come to inherit the Paraguayan soil, after having invoked Almighty God, the Supreme Legislator of the Universe, do hereby order, decree, and provide the present Constitution of the Republic of Paraguay.

PART FIRST.

CHAPTER I.—*General Declarations.*

ARTICLE 1. Paraguay is and shall be free and independent, and a Republic one and indivisible, under a democratic representative government.

ART. 2. The sovereignty is vested essentially in the nation, and delegated by it to the authorities established by the present Constitution.

ART. 3. The religion of the State is the Roman Catholic Apostolic; but Congress, however, shall not have power to forbid the exercise of any other religion within the territory of the Republic. The prelate of the Paraguayan church shall be a Paraguayan.

ART. 4. The Government shall meet the expenses of the nation out of the funds of the national treasury, formed by the collection of duties on exports and imports, the sale or lease of public lands, the proceeds of the postal and railroad services, the loans and operations of credit which may be contracted or made, and the taxes of all kinds which Congress may levy by special laws.

ART. 5. The circulation in the interior of the Republic of effects, the product or manufacture of the nation, shall be free from duty. The same freedom shall be enjoyed by articles introduced from abroad, intended for purposes of education, public instruction and agriculture, or pertaining to steam engines, and printing offices.

ART. 6. The Government shall promote American and European immigration, and shall not have power to restrict, limit, or burden with charges of any kind the admission into the Paraguayan territory of foreigners coming into it with the intention to promote industrial enterprises and arts.

ART. 7. The navigation of the interior rivers of the nation is free to all flags; but the rules and regulations which Congress may enact for the proper use of this freedom shall be observed.

ART. 8. Primary instruction is compulsory and the Government shall give to it preferent attention. A report on this subject shall be made to Congress every year by the head of the educational department of the Government, and Congress shall attend to all the recommendations made in that document, and promote by all possible means the instruction of the citizens.

ART. 9. In case of internal disturbance, or foreign attack, of sufficient gravity as to endanger the observance of the Constitution and the exercise of the power and duties vested in the authorities created by it, a part or the whole of the Paraguayan territory may be declared, for a limited time, to be in a state of siege. During such time the power of the President of the Republic shall not go beyond arresting the suspected persons, or causing them to move from one place of the Republic to another, if they do not prefer to leave the country.

ART. 10. Congress shall promote the proper reform of the laws in force.

ART. 11. The rights of trial by jury in criminal cases shall be guaranteed to all and shall be forever inviolable.

ART. 12. It shall be the duty of the Government to affirm by means of treaties concluded in conformity with the principles of public law established in this Constitution, the relations of peace and commerce with foreign nations.

ART. 13. Congress shall never grant the Executive any extraordinary powers, or the whole of the public authority, nor shall it give the same authority or supremacy which may cause the lives, the honor, or the property of the inhabitants of the Republic to be at the mercy of the Government, or of some individual persons. Dictatorship shall be unlawful and inadmissible in the Republic of Paraguay, and anyone who may propose to establish it, or consents or subscribes to its establishment, shall be held as an infamous traitor to the country and liable therefor to the proper penalties and responsibility.

ART. 14. All inferior authorities, employees, and functionaries of the Republic are personally responsible for the faults and offenses committed by them in the

exercise of their functions. All their acts shall be in strict conformity with the law; and in no case shall they exercise authority beyond their own jurisdiction.

ART. 15. The principles, guarantees, and rights recognized by the present Constitution can not be abridged or modified by any laws intended to carry them into effect.

ART. 16. The present Constitution, the laws enacted by Congress in consequence of the same, and the treaties concluded with foreign countries shall be the supreme law of the nation.

ART. 17. The authorities called upon to exercise the legislative, executive, and judicial powers shall reside in Asunción, the capital of the Republic of Paraguay.

CHAPTER II.—*Rights and Guarantees.*

ART. 18. All the inhabitants of the Republic shall enjoy, subject to proper regulations, the following rights, namely: The right to navigate, and engage in commercial business, to work and exercise all kinds of lawful industries, to meet peaceably, to petition the authorities, to enter the Paraguayan territory, remain in it, travel through it, or leave it, without a passport, to publish their ideas through the press without being subject to previous censorship, to use and dispose of their property, to associate with each other for useful purposes, to profess freely their own religion, to teach, and to learn.

ART. 19. Property is inviolable, and no inhabitant of the Republic shall be deprived of his property unless it is by judicial sentence founded on law. Condemnation for public use has to be made under provision and by process of law, and upon previous indemnification. Congress alone shall have the power to impose the taxes spoken of in article 4; and no tax shall be levied by any other authority or person, unless under special authority from the same Congress. No personal service shall be demanded which is not established by law, or by judicial sentence founded on law.

The penalty of confiscation of property is hereby stricken out forever from the Paraguayan penal code. The penalty of death for political offences is also abolished. No armed body shall make requisitions, or ask for assistance of any kind, without making the proper remunerations.

ART. 20. No inhabitant of the Republic shall be punished without trial and conviction, founded on law anterior in date to the offense, or by special commissions, unless it is in conformity with the provisions of article 11. No person shall be compelled to testify against himself, or be arrested unless by written order of a competent authority, or detained for more than twenty-four hours without being given information of the charges preferred against him. The

detention shall always be either in the house of the accused or in the public establishment set apart for this purpose. The law presumes innocent all those not yet adjudged guilty, or lawfully suspected of being guilty under a proper ruling of the court.

ART. 21. The defense of the person and the deeds of the accused, made in the trial, are inviolable. The dwelling place, as well as the epistolary correspondence and private papers of all inhabitants of Paraguay, are also inviolable; but a law may provide in which cases and on what grounds an order can be made for the entering of the one and the occupation of the other. Torture of all kinds and whipping are abolished. The jails shall be healthy and clean, and intended for the safe-keeping of the prisoner, and not for vexing him. Any precautionary measure leading to a greater inconvenience than what is required for the said safe-keeping shall cause their authors to incur responsibility.

ART. 22. No excessive bail shall be demanded, nor shall excessive fines be imposed.

ART. 23. The judgment of private actions, which in no way transgress public order or public morals or wrong third parties, is reserved to God alone and exempted from action by the constituted authorities. No inhabitant of the Republic shall be compelled to do what is not ordered by law or deprived of anything not forbidden by it.

ART. 24. The liberty of the press is inviolable and no law shall be enacted to abridge it or restrict it in any way. The trials for offenses committed through the press shall only be by juries; and in the cases arising out of publications against public officials in censure of their official conduct, evidence to prove the truth of the imputations made shall be admitted.

ART. 25. There are no slaves in the Republic of Paraguay. If any one should be found within its limits he shall become free from the moment in which the present Constitution goes into effect, and such indemnities as may become proper under this declaration shall be ordered by special law. Slaves introduced in Paraguay in whatever manner shall become free from the mere fact of treading upon the Paraguayan soil.

ART. 26. The Paraguayan nation does not admit prerogatives of blood or birth, nor does she recognize personal privileges or titles of nobility. All her inhabitants are equal before the law, and capable to serve public offices of all description, if properly qualified for their fulfillment. Equality is the basis upon which taxation and the distribution of public burdens are to be founded.

ART. 27. The right of all citizens to cast a vote is inviolable. The President and his ministers are forbidden to interfere in any way, directly or indirectly, with the popular elections. Any authority, whether of the city, or of the rural districts, who on his own movement, or in obedience to inferior orders, attempts

to coerce, whether directly or indirectly, the vote of one or more citizens shall be deemed guilty of a crime against the electoral liberty and punished accordingly.

ART. 28. All persons in the Republic are empowered to arrest a wrongdoer and take him immediately to the nearest authority, when the said wrongdoer has been caught in the act. No blame, disgrace, or dishonor shall be transmitted to the relatives of a wrongdoer.

ART. 29. All laws and decrees at variance with the provisions of the present Constitution shall be inoperative and void.

ART. 30. All Paraguayan citizens are bound to arm themselves in defence of the country and of the present Constitution, and to do military service according to the laws and regulations made for that purpose by Congress or by the executive power. Naturalized citizens are equally bound to render this service on and after the expiration of the period of three years subsequent to their naturalization.

ART. 31. The people neither deliberate nor govern except through their representatives and the authorities guaranteed by the present Constitution. All armed forces or reunions of persons assuming to represent the rights of the people and petitioning in their name are guilty of sedition.

ART. 32. No retroactive effect shall be given to any law.

ART. 33. Aliens shall enjoy in the territory of the nation the same civil rights as belong to citizens. They can engage in industrial, commercial, or professional business; hold, purchase, and sell real estate; navigate the rivers; freely profess their religion; dispose of their property by last will and testament, as permitted by the law of the country, and marry under the same law. They shall not be compelled to become citizens of the country or to pay extraordinary forced taxes.

ART. 34. The enumeration of rights and guarantees made in the present Constitution, and the declarations contained in the same, can not be construed as to imply a denial of any other rights or guarantees not enumerated, but which naturally are derived from the principle of the sovereignty of the people and from the democratic representative form of government adopted by the Republic.

CHAPTER III.—*Citizenship.*

ART. 35. Paraguayan citizens are:

- (1) All persons born in Paraguayan territory.
- (2) The children of Paraguayan fathers or mothers when domiciled in Paraguay, and by the mere fact of their domiciliation.
- (3) The children of Paraguayans born abroad if their father is then in actual service of the Republic. Persons so born shall be Paraguayan citizens even for

such purposes as under the Constitution and the laws require native citizenship.

(4) These citizens shall enjoy the same political and civil rights as the native ones, and may fulfill every position in the Government except the Presidency or vice-presidency of the Republic, or the positions of members of the cabinet, deputies, or senators.

(5) The aliens upon whom Congress by special favor has granted naturalization.

ART. 36. To obtain naturalization in Paraguay it shall be sufficient for the alien to have resided two consecutive years in the country and owned some real estate, had some capital invested in business, practiced some profession, or engaged in some industrial occupation or art. This period of two years may be shortened if the alien has married a Paraguayan or proves that he has rendered services to the Republic.

ART. 37. Congress shall have the power to declare whether those not born in Paraguayan territory are, or are not, bound to obtain naturalization under article 35 ; and if in the affirmative, the proper letters of naturalization shall be then issued by the President of the Republic.

ART. 38. All Paraguayan citizens not having any of the disqualifications set forth in the next following article, shall have the right to vote at the completion of the 18th year of their age.

ART. 39. The right to vote shall be suspended :

(1) By physical or moral inability preventing free and deliberate action.

(2) By serving as a private, corporal, or sergeant in the regular army, the national guard mobilized, or the navy.

(3) By being subject to criminal proceedings for offenses whose punishment entails disgrace.

ART. 40. Citizenship shall be lost :

(1) By fraudulent bankruptcy.

(2) By accepting office, functions, distinctions, or pensions from a foreign Government without special permission of Congress.

ART. 41. All those who, under the provision of the preceding article, have lost their citizenship shall have the right to apply to Congress and request to be restored to it.

PART SECOND.

CHAPTER IV.—*The Legislative Power.*

ART. 42. The Legislative Power of the Nation shall be vested in a Congress consisting of two Chambers, one of Deputies and the other of Senators.

CHAPTER V.—*The Chamber of Deputies.*

ART. 43. The Chamber of Deputies shall be formed by Representatives directly elected by the people of the electoral district by a majority of votes.

ART. 44. The Chamber of Deputies of the First Congress shall consist of twenty-six Representatives, to be elected in the manner which shall be provided by law, two months after the formal inauguration of the first Constitutional Government.

ART. 45. A general census shall be taken previous to the meeting of the Second Congress, and the number of Deputies shall then be fixed, according to its returns, at the rate of one Deputy for each six thousand inhabitants, or fraction of this unit not less than three thousand. The census shall be taken every five years and no oftener.

ART. 46. To be a Deputy it shall be required to be a native-born citizen over twenty-five years of age. Should a Deputy be elected for more than one department, he must choose the one farthest from the capital, in order to avoid delays.

ART. 47. The Deputies shall serve for four years and can be reelected; but the Chamber shall be renewed by halves every two years. The members of the First Congress shall decide by lot who, out of their number, must leave at the end of the first period.

ART. 48. When a vacancy occurs the Government shall cause an election to be held.

ART. 49. The Chamber of Deputies has the exclusive right to originate all laws relating to taxation and recruiting of troops.

ART. 50. The Chamber of Deputies alone has the right to accuse before the Senate the President, the Vice-President, the Members of the Cabinet, the Justices of the Supreme Court, and the generals of the Army and Navy in cases of impeachment for malfeasance in the exercise of their respective functions or for common offences. Such a right can not be exercised unless the Chamber by a majority of two-thirds of its members present resolves that there are sufficient merits to put the offender on trial.

CHAPTER VI.—*The Senate.*

ART. 51. The Senate in the First Congress shall consist of thirteen Senators, to be elected in the same manner and at the same time as the Deputies. For the second period they shall be elected at the rate of one Senator for each 12,000 inhabitants or fraction of that unit not less than 8,000.

ART. 52. The Senators shall serve for six years, and can be reelected. But the Senate shall be renewed by two-thirds every two years, and the names of those who must leave at the end of the first and the second periods shall be decided by lot.

ART. 53. To be a Senator it is required to be over 28 years of age and a native-born citizen.

ART. 54. The Vice-President of the Republic shall be the President of the Senate; but he shall have no vote unless they be equally divided.

ART. 55. The Senate shall elect a President *pro tempore* in case of absence of the Vice-President, or when the latter is called to act as President of the Republic.

ART. 56. It belongs to the Senate to try in public the cases of impeachment presented by the Chamber of Deputies. In such cases the Senators shall take an oath for that purpose. When the impeached official is the President of the Republic, or the Acting Chief Magistrate, the Senate shall be presided over by the Chief Justice of the Supreme Court. No one shall be adjudged guilty unless by a majority of two-thirds of the members present.

ART. 57. Judgments in cases of impeachment shall not extend further than to removal from office and disqualification to hold and enjoy any office of honor, trust, or profit, under the Nation; but the party convicted shall nevertheless be liable to indictment, trial, and judgment, according to law, before the ordinary tribunals.

ART. 58. When the seat of a Senator becomes vacant the Government shall cause at once an election to be held.

CHAPTER VII.—*Provisions Common to the two Chambers.*

ART. 59. Both Chambers shall meet in ordinary session every year, on the 1st of April, and shall continue in session until the 31st of August. (The First Congress shall meet three months after the inauguration of the Constitutional Government.) They may also be called to convene in extraordinary session by the President of the Republic, or on motion of four Deputies and two Senators. They can be adjourned in the same way.

ART. 60. Each Chamber shall be the judge of the elections, returns, and qualifications of its own members, and a majority of each shall constitute a quorum to do business; but a smaller number may adjourn from day to day and may be authorized to compel the attendance of absent members in such manner and under such penalties as each Chamber may provide.

ART. 61. Both Chambers must begin and end their sessions simultaneously. Neither Chamber during the session of Congress shall, without the consent of the other, adjourn for more than three days.

ART. 62. Each Chamber shall determine the rules of its proceedings, and, with the concurrence of two-thirds of the votes, may punish its members for disorderly behavior in the exercise of their functions, or remove them for phys-

ical or moral inability, and even expel them if the Chamber thinks they are incapable or unable to have a seat in it. But a majority of only one shall be sufficient to decide upon accepting or rejecting the resignation voluntarily made by a Deputy or Senator.

ART. 63. No member of Congress shall be accused, judicially examined or molested for opinions or speeches emitted or delivered by him in the exercise of his legislative functions.

ART. 64. No Senator or Deputy shall be subject to arrest for any offense from the day of his election until the date on which his office ceases, unless he is caught in the act of committing an offense punished with a penalty involving disgrace, in which case the matter will be at once reported to Congress.

ART. 65. When the accusation is made in writing before the ordinary courts against any Senator or Deputy, the respective Chamber shall have the power, after examining in public the merits of the evidence filed before it, and by the vote of two-thirds of its members, to suspend the accused Senator or Deputy and place him at the disposal of the court of competent jurisdiction for proper trial.

ART. 66. Senators and Deputies shall take, upon entering on the exercise of their functions, an oath to fulfill them properly and to act in everything in conformity with the provisions of the present Constitution.

ART. 67. Each Chamber shall have the power to summon before it the members of the Cabinet and ask them for such explanations and information as may be deemed advisable.

ART. 68. No member of the Cabinet can be a Senator or a Deputy without previously resigning his office.

ART. 69. No ecclesiastic can be a member of Congress. Nor can the officials receiving salaries from the Nation be Deputies or Senators without first resigning their offices.

ART. 70. The services of the Deputies and Senators shall be remunerated by the National Treasury with a salary to be fixed by law.

ART. 71. The opening of the two Chambers shall be made by the President of the Republic.

CHAPTER VIII.—*Powers of Congress.*

ART. 72. It belongs to Congress—

1. To enact as soon as possible a law providing for the municipal organization of the Republic.
2. To enact also the law for the establishment of trial by jury.
3. To legislate in regard to custom-houses and to establish duties on imports and exports.

Bull. 54—9

4. To lay direct taxes for a fixed period whenever the defence, safety, and welfare of the State may require it.

5. To borrow money on the credit of the nation, and establish and regulate a national bank with the power to issue bank notes.

6. To arrange for the payment of the national debt, whether foreign or domestic.

7. To make every year such appropriations of money as may be required to meet the expenses of the National Government, and to approve or disapprove the accounts of their disbursement.

8. To regulate the free navigation of the rivers, to declare such ports to be ports of entry as it may deem advisable, and to create or suppress custom-houses.

9. To coin money, regulate the value of the national and the foreign coin, and fix an uniform system of weights and measures for the whole nation.

10. To enact the civil, commercial, and penal codes, and general laws or bankruptcy, counterfeiting, and forgery of the public documents of the State.

11. To establish post-offices and post roads in the Republic, and to regulate commerce by land or sea with the foreign nations.

12. To settle finally the boundaries of the Republic.

13. To provide for the security of the frontiers, and for the preservation of peaceful trade with the Indians, and promote the conversion of the latter to Christianity and civilization.

14. To provide everything conducive to the prosperity of the country, and employ, above all, all possible means to secure progress and the diffusion of public instruction, both elementary and classic.

15. To promote industry, immigration, construction of railroads, navigable canals and telegraphs, colonization of the lands belonging to the State, introduction and establishment of new industries, importation of foreign capital, and exploration and use of the interior rivers. For all these purposes it shall enact protective laws, and grant concessions and privileges or other rewards.

16. To establish courts of justice inferior to the Supreme Court, to create and suppress offices, to fix the powers and duties of the offices thus created and to grant pensions, honors, and general amnesties.

17. To accept or refuse to accept the resignation of the President or Vice-President of the Republic, to declare when any election is to be held, and to make the counting of the votes.

18. To approve or disapprove the treaties and conventions entered into with other nations, and to authorize the executive power to declare war or make peace.

19. To fix the strength of the forces on land and sea which must stand

whether in time of peace or war, and make regulations and ordinances for the government of said army.

20. To call forth the militia in the whole Republic, or in any part thereof, when required for the execution of the laws of the nation, or for repressing insurrection or repelling invasion; and to provide for the organization, armament, and discipline of said militia.

21. To permit foreign troops to enter the territory of the Republic, and allow the national forces to go out of it.

22. To declare a state of siege in one or several places of the Republic in case of internal disturbance, and to approve or suspend the state of siege declared during the recess of Congress by the executive power.

23. To exercise exclusive legislation in the whole territory of the Republic, and in all other places acquired by purchase or cession, and to establish fortresses, arsenals, storehouses, or other establishments of national utility.

24. To enact all the laws and rules necessary to exercise the powers enumerated in the preceding sections, and all other powers granted by the present constitution to the Government of the Republic of Paraguay.

25. To authorize the Executive, at the request of the same, to make military appointments superior in rank to that of major.

26. To appoint a committee consisting of members of Congress to review the grants of military positions made by the former Government, in order to either recognize or annul the concessions.

CHAPTER IX.—*The Formation and Sanction of the Laws.*

ART. 73. The laws can originate in either of the Chambers of Congress by means of bills introduced by any member or by the executive power. The laws referred to in article 49 are excepted from these rules. When a bill has passed the Chamber in which it originated it shall be sent to the other Chamber for its proper discussion, and if approved by the latter, it shall be forwarded to the executive power of the Republic. If it obtains the approval, it shall be promulgated as law.

ART. 74. All acts of Congress not returned by the Executive within ten working days shall be deemed approved.

ART. 75. No bill absolutely rejected by one of the Chambers shall be introduced again during the sessions of the same year. But if it were only amended by the revising Chamber, it shall be returned to the Chamber where it originated, and if approved by it by an absolute majority as amended, it then shall be forwarded to the Executive of the nation. But if the amendments are objected to, the bill shall go back a second time to the revising Chamber, and

if the latter insists upon the amendments by a majority of two-thirds of its members, the bill shall go again to the other Chamber, where it will be deemed approved if not rejected by two-thirds of the members present.

ART. 76. If an act of Congress is objected to, wholly or in part, by the Executive, it shall be returned, with the objections thereto, to the Chamber of origin, where it shall be discussed again, and if passed by a majority of two-thirds it shall go then to the revising Chamber. If the two Chambers approve the bill by the majority above mentioned, the bill shall become a law and will be sent to the Executive for its promulgation as such. The vote in the two Chambers will be, in this case, by ayes and nays, and both the names of the voters and the explanation of the grounds on which the votes were founded, as well as the objections made to the bill by the Executive, shall be published immediately in the newspapers. If the Chambers dissent in regard to the objections made by the Executive, the bill will fail, and can not be introduced again during the sessions of the same year.

ART. 77. The following shall be the form of promulgation of the laws: "The Senate and Chamber of Deputies of the Paraguayan nation in Congress assembled, etc., decree or enact as law the following:

CHAPTER X.—*The Permanent Committee.*

ART. 78. Each Chamber before adjourning shall appoint by absolute majority a committee to be called Permanent Committee, consisting of two senators and four deputies. In addition to them the Chamber of Deputies shall appoint two substitutes, the Senate one.

ART. 79. Upon the meeting of the regular members of the committee, they shall elect a chairman and a vice-chairman, and give notice thereof to the Executive.

ART. 80. If it becomes necessary to call a substitute, the election shall be made by lot.

ART. 81. The permanent committee shall be in session from the day of its organization until the beginning of the ordinary session in Congress.

ART. 82. It shall be the duty of this committee to see that the Constitution and the laws are observed, and their failure to do so shall render them responsible before the Chambers.

ART. 83. The permanent committee shall also receive the certificates of election of Deputies and Senators and cause them to be referred to the respective committees.

ART. 84. It shall also have the same power as is granted each Chamber in Article 67 of the present Constitution.

ART. 85. The committee shall hold preparatory meetings to examine the certificates of election, in order that the opening of the ordinary session of Congress may take effect on the day appointed by the Constitution.

ART. 86. The committee shall take no action without a quorum consisting of four of its members. The chairman shall decide when the votes are equally divided.

CHAPTER XI.—*The Executive Power, its Nature, Duration, and Election.*

ART. 87. The executive power of the Republic shall be vested in a citizen to be called President of the Republic of Paraguay.

ART. 88. In case of sickness, absence from the capital, death, resignation, or dismissal of the President, the executive power shall be exercised by the Vice-President of the Republic. In case of dismissal, death, resignation, or inability of the President and Vice-President, Congress shall determine the public functionary who shall act as President until the day on which the inability ceases, or a new President is elected.

ART. 89. To be President and Vice-President of the Republic it is required to be a native of the Republic, over thirty years of age, and to profess the Christian religion.

ART. 90. The President and Vice-President of the Republic shall serve for four years and can not be reelected except after the lapse of two presidential terms.

ART. 91. The President of the Republic shall cease to perform his official duties on the same day on which the four years of his term expires; and no event which may have interrupted this period shall be a reason to prolong it in any way whatever.

ART. 92. The President and Vice-President shall be paid a salary out of the national treasury which can not be changed during their term of office. Neither of them shall hold any other position or receive any additional pay or emolument from the Republic during their term of office.

ART. 93. On taking possession of their offices, the President and Vice-President shall take an oath, to be administered to them by the President of the Senate, and in the presence of Congress, in the following terms: "I, N. N., do solemnly swear, before God and my country, to fulfill faithfully and patriotically the position of President, or Vice-President, of the Republic of Paraguay, and to faithfully observe and cause others to observe the Constitution of the Paraguayan nation. If I fail to do so, may God and my country demand it of me." On the inauguration of the first constitutional President, the oath shall be administered by the chairman of the Constitutional Convention.

ART. 94. The election of the first constitutional President and Vice-President shall be made by the Constitutional Convention as provided in article 127, and according to the methods established in article 100 of the present Constitution. The subsequent elections shall be made as follows: Each electoral district shall elect by direct popular vote a number of electors equal to four times the number of Deputies and Senators to which the district may be entitled in Congress. These electors shall have the same qualifications as are required to be a Deputy, and shall be elected in the same manner as has been provided for the latter.

ART. 95. Neither the Deputies nor the Senators, nor any official receiving a salary from the Government is qualified to be an elector.

ART. 96. The electors shall meet at the capital of the respective departments two months before the expiration of the Presidential term, and shall elect a President and Vice-President of the Republic by signed ballots, one of which shall express the name of the person for whom they vote to be President, and the other the name of the person for whom they vote to be Vice-President.

ART. 97. Two lists shall be made of all individuals voted for for each position, and of the number of votes cast for each. These lists shall be signed by the electors and transmitted sealed (two of them, one of each class) to the Chief Justice of the Supreme Court and to the President of the Senate, who will keep them unsealed and in deposit. The original record of the election shall be kept sealed in the office of the justice of the peace of the electoral district where it was held.

ART. 98. The President of the Senate shall, in the presence of the two Chambers, open the envelopes containing said lists. Four tellers, elected by lot, shall assist the secretaries in counting and announcing the number of votes obtained by each candidate for President and Vice-President of the nation. Those having, in each case, the greatest number of votes shall be immediately proclaimed President and Vice-President.

ART. 99. In order that these elections be valid it is required that at least two-thirds of the departments of the Republic shall have taken part in the elections, and the absolute majority of votes spoken of in the preceding article shall be understood in reference to these two-thirds voting and not to the whole nation.

ART. 100. In case the vote be divided and no absolute majority can be obtained, Congress shall then choose one of the two persons having the greatest number of votes. If this first majority belongs to more than two persons, Congress shall make its selection out of all of them. If the first majority belongs to only one person, and the second to two or more, Congress shall choose from all the persons who obtained the first and the second majority. The selection shall be made by absolute majority and by ayes and noes. If it should happen

that no absolute majority is obtained in the first ballot, a second one shall be taken, but the vote shall be confined to select from the persons who, in the first ballot, obtained the greatest number of votes. If the votes are equally divided, the vote shall be repeated, and if equally divided again the President of the Senate shall decide. (In the first election the decisive vote belongs to the chairman of the Constitutional Convention.) The counting of the votes can not be made without the presence of a quorum consisting of three-fourths of the total number of members of Congress.

ART. 101. The election of President and Vice-President of the nation shall be completed in only one meeting of Congress, and the result of the election, as well as the electoral vote, shall be published in the newspapers.

CHAPTER XII.—*The Powers of the Executive.*

ART. 102. The President of the Republic shall have the following powers:

1. He is the Chief Magistrate of the nation, and is entrusted with the management of the executive department of the Government in the whole country.

2. He issues such instructions, rules, and regulations as may be necessary for the execution of the laws, provided that they make no change in the spirit of their provisions.

3. He takes part in the framing of the laws in the manner provided by the Constitution, and approves and promulgates said laws.

4. He appoints, with the advice of the Senate, the Justices of the Supreme Court, and, with the advice of the Supreme Court, all other officials and employees required for the administration of justice.

5. He grants pardons and commutes sentences after hearing the opinions of the respective courts on the subject. Cases of impeachment before the Chamber of Deputies are excepted.

6. He appoints and removes, with the advice of the Senate, all diplomatic agents, and appoints and removes, at his will, the members of the Cabinet, the clerks of the departments, the consular agents, and all other officers of the administration whose appointments are not otherwise regulated by the present Constitution.

7. He exercises the right of nominating bishops for the dioceses of the nation (*derecho de patronato*), said nomination to be made upon presentation of three names by the Senate, with the advice of the Ecclesiastic Senate, or if not by the national clergy assembled.

8. He grants or refuses, with the advice of Congress, his acceptance of the decrees of the councils, and the bulls, briefs, or rescripts of the Supreme Pontiff.

9. He opens every year the sessions of Congress assembled for that purpose

in joint session in the hall of the Senate, and in that solemnity he shall submit to Congress a report on the state of the Republic, explaining to what extent the promises of reform made by the Constitution have been fulfilled, and making all such recommendations as he may deem necessary or advisable.

10. He adjourns the ordinary sessions of Congress, or calls Congress to convene in extraordinary session if a grave necessity of order or progress requires its reunion.

11. He causes the revenues of the nation to be collected and orders them to be disbursed in conformity with the appropriation laws.

12. He concludes and signs treaties of peace, commerce, navigation, alliance, limits and neutrality, concordats, and all other negotiations required for the preservation of good relations with the foreign nations, receives their ministers and admits their consuls.

13. He is the Commander in Chief of all the forces of the nation.

14. He appoints all military officers of the Republic. These appointments shall be made in conformity with the provisions of No. 25, Article 72, when the position to be filled or the rank to be granted, either in the Army or in the Navy, is of superior class. The appointments made on the battlefield shall not require confirmation by Congress.

15. He disposes of the military forces of the nation, and attends to their organization and distribution according to the necessities of the nation.

16. He declares war and reestablishes peace with the advice and consent of Congress.

17. He declares in a state of siege one or more places of the Republic in case of foreign aggression; but the state of siege shall cease with the cause which produced it. This power, however, can not be exercised by the President whether in case of foreign aggression or of internal disturbances when Congress is in session, because such power belongs to Congress. The President exercises this power with the restrictions set forth in Article 9.

18. He can ask the heads of all departments and branches of the administration, and through them all other employés, for such reports or information as he may desire, and they shall be bound to furnish them.

19. He can not leave the capital without permission of Congress. If Congress is not in session he may leave the capital without such permission, only for grave reasons of public service.

20. The President shall have power to fill, during the recess of Congress, any vacancies in the offices which require the advice and consent of that body; but those appointments shall be considered by Congress in the next session.

ART. 103. All powers not delegated by the present Constitution to the Executive are understood to be denied to it, and be reserved to Congress as the

representative of the sovereignty of the people, entrusted with the duty to remove any doubt which may arise in regard to the equilibrium of the three high powers of the State.

CHAPTER XIII.—*The Members of the Cabinet.*

ART. 104. Five Ministers or Secretaries, respectively called, of the Interior, of Foreign Relations, of the Treasury, of Justice, Worship and Public Instruction, and of War and the Navy shall attend to the business of the nation, and countersign and legalize with their signatures the acts of the President. These acts without their signature shall have no efficiency. A law shall mark the respective jurisdiction of each department.

ART. 105. Each Secretary is responsible individually for the acts which he legalizes, and jointly for those he has authorized in union with his colleagues.

ART. 106. The Secretaries can not by themselves take action in any case except in relation to the management of their own departments.

ART. 107. When Congress opens its sessions the Secretaries must submit to it a report on the state of the business of the nation as far as their own respective departments are concerned.

ART. 108. The Secretaries can attend the meetings of Congress and take part in the debate, but they shall have no vote.

ART. 109. They shall be paid for their services such a salary as may be established by law, but this salary can not be increased or decreased in favor or to the detriment of the present incumbent.

CHAPTER XIV.—*The Judiciary and its Powers.*

ART. 110. The judiciary power of the Republic shall be vested in a Supreme Court consisting of three Justices, and in as many inferior courts as may be established by law.

ART. 111. To be a Justice of the Supreme Court, and of all the other courts, it is required to be a Paraguayan citizen over twenty-five years of age and a person of at least ordinary learning. The law shall provide the salaries to be paid them in remuneration of their services, and said salary can not be diminished to the injury of the present incumbent.

ART. 112. All Justices and judges shall serve for four years and can be reelected.

ART. 113. The Justices of the Supreme Court and the judges of the inferior tribunals shall be appointed by the Executive in conformity with section 4 of Article 102. If the candidates nominated by the Executive are not accepted by the Senate or by the Chamber of Justice, the Executive shall immediately nom-

inate another person. In case of vacancy during the recess of Congress the Executive shall have the power to make temporary appointments, which shall expire at the opening of the next Congressional session.

ART. 114. The Judicial Power alone has the right to take cognizance of and decide all matters affected by law. Its authority in this respect is exclusive. In no case shall the President of the Republic have the power to assume judicial functions or revive terminated cases, or stop those which are pending, or interfere with their prosecution in any way whatever. Any executive act of this kind shall carry with it incurable nullity. The Chamber of Deputies can exercise judicial functions in the case provided for by Article 50 of the present Constitution.

ART. 115. The Supreme Court is the High Chamber of Justice of the Republic, and in this capacity it shall have the right to inspect and supervise the action of all inferior courts. The Justices of the Supreme Court can be impeached and held responsible, under the law for offenses committed by them in the exercise of their functions.

ART. 116. The Supreme Court takes cognizance of the conflicts of jurisdiction between the inferior courts with each other, and between the courts and the executive authorities.

ART. 117. Defense is free to all before the tribunals of the Republic.

ART. 118. The sentences of the inferior courts and of the Supreme Court shall be founded on laws enacted previously to the date of the facts out of which the case arose. All criminal cases arising out of crimes or offenses which the Chamber of Deputies can not properly prosecute shall be tried by juries as soon as this institution is established in the Republic. All the other powers of the judicial authorities shall be established by law.

ART. 119. Treason against the nation shall consist only in taking arms against it, or in joining its enemies and giving them assistance and support. Congress shall fix by a special law the punishment to be inflicted for this crime, but the penalty shall not go for any purpose beyond the person of the guilty party, nor shall the infamy of the convict be transmitted to his relations in any degree.

ART. 120. The Justices of the Supreme Court shall take an oath, to be administered to them by the President of the Republic, to faithfully fulfill their duties and do justice well and lawfully and in conformity with the Constitution. On all subsequent occasions the oath shall be administered to them by the tribunal itself.

ART. 121. The Supreme Court shall make proper rules and regulations for its interior government, and shall appoint and remove all its subordinate employés.

CHAPTER XV.—*Reforms of the Constitution.*

ART. 122. No reform shall be made of the present Constitution, in whole or in part, during the first five years immediately following its promulgation.

ART. 123. The necessity of the reform having been declared by Congress by a vote of two-thirds of the total number of its members, a call for a convention, consisting of citizens, equal in number to the total number of Deputies and Senators and directly elected by the people, shall be issued. The power of making the reform shall belong exclusively to this body.

ART. 124. To be a member of this convention it shall be required to be over twenty-six years of age, and a native citizen. Members of the Cabinet, Deputies, and Senators are disqualified.

ART. 125. The convention shall have power to reform no other provisions than those specified by Congress, except in case that the call states that the whole Constitution is to be amended.

SUPPLEMENTARY PROVISIONS.

ART. 126. The Executive Mansion can not be at the same time the private residence of the President or of any other public functionary.

ART. 127. After the approval and promulgation of the present Constitution, the Constitutional Convention shall resolve itself into an electoral college, in order to elect the first constitutional President.

ART. 128. The Constitutional Convention shall turn into a Legislative Congress as soon as the Constitutional Government is inaugurated. It shall remain in session in this capacity for fifteen days, at the expiration of which it will adjourn, leaving a permanent committee with such faculties as may be given to it.

ART. 129. The Constitutional Convention shall appoint the day on which the oath to comply with the present Constitution shall be taken.

Given at the hall of sessions of the Constitutional Convention in the city of Asuncion, on the 24th day of November in the year of our Lord 1870.

APPENDIX G.

Commercial Directory of Paraguay.

ASUNCION.

Banks.

Banco Agrícola.
Banco de Comercio.
Banco del Paraguay y Rio de la Plata.
Banco Hipotecario.
Banco Nacional.
Banco Territorial.

Booksellers.

Fisher y Quell.
Gradin, E.
Kraus, H.

Carriage-maker.

Flori, A.

Coal merchants.

Manzoni Hnos.

Commission merchants.

Artaza y Frontanilla.
Borgé, Francisco.
Canstatt, S.
Cristofanini.
Domanisoki.
Fassoli y Casartelli.
Featherston.
Flores, Facundo.
Flores, T.
Fuster, José.
García, Aquiles.
Heiman, Simon & Co.
Lamas, Vicente.
Lavatier, D.
Manzoni Hnos.
Marrero, Gregorio.
Risso, Francisco.
Taboada, Antonio.
Uriarte, Eduardo.
Vierci y Tiscornia.

Cutlery.

Hocquard, Alfredo.
Rosch, Victor.

Dry goods.

Battilana, T.
Cano, Silforiano.

140

ASUNCION—Continued.

Dry goods—Continued.

da Costa, M.
Ferran, Angel.
Ferriol, Bernardo.
Fernandez, Eleuterio.
Gaona & Co.
García y Fernandez.
Gaspar, Manuel.
Gonzalez, Guillermo.
Gonzalez, José.
Martinez, Lopez.
Montero, Francisco.
Muñoz y Aranda.
Ros y Alvarez.
Schufini, J. B.
Solalinde, M.
Talavella, A.
Yuzzi, P.

Fireworks.

Gomez, Avelino.

Flour merchants.

La Palma de Quaranta.
Molino Nacional, Saguler, Vargas & Co.

Fruit merchants.

Anchar, Nicasio.
Bajae & Co.
Delmes, J.
Diaz, Pastor.
Figueroa.
Franco, Fern.
Govioño, Juan A.
Jacobo.
Molas, Basilio.
Narvaez, D.
Pancrancio & Co.
Perazzo, Ant.
Ramirez, J.
Ramos, V.
Recentini, Pedro.
Santander, Faustino.
Troche, T.
Urdulez, J.
Valiente, Rafael.

ASUNCION—Continued.*General merchants.*

Acosta, Nicasio.
 Alarcon, Bernardo.
 Alberto, Juan C.
 Amarilla, Maria.
 Angel, Pascual.
 Azareto, Blas.
 Baes Hnos.
 Balan, Franqui.
 Barbosa, Maria.
 Basili, José.
 Bastrebi, S.
 Batteyro & Echeguren.
 Battilana, Teodoro.
 Beatier, Juan.
 Bello, José.
 Benitez, Bernardino.
 Berdejo, Feliciano.
 Bernaza, Ambrosio.
 Borian, M.
 Caballero, Miguel.
 Cabezasi, Antonio.
 Cabrera, Gerónimo.
 Calvo, Ramon.
 Candia, Manuel.
 Capurro, Juan.
 Caravia, Spiro.
 Carballo, Antonio.
 Careaga, Juana.
 Careaga, Rafael.
 Caroso, Ambrosio.
 Casalito, Domingo.
 Castellani, A.
 Castro, Emilio.
 Cellario Hnos.
 Centurion, Agustin.
 Céspedes, Irene.
 Chaves, F. P.
 Colman, T.
 Cotulro, J.
 Cristofanini, A.
 Crosas, A.
 Dalio, José.
 Decoud, Silverio.
 Delgado, Francisco.
 Delvalle, José.
 Diaz, Felipe.
 Diaz, Filomena.
 Diaz, Gregorio.
 Diaz, Juana.
 Doldan, José.
 Domeque, Pedro.
 Elizeche, Juan.
 Erico, Pablo.
 Falco y Hnos.
 Fernandez, Eleuterio.

ASUNCION—Continued.*General merchants—Continued.*

Ferrara, Francisco.
 Ferrari, Angel.
 Fischer, Eduardo.
 Fleitas, Modesto.
 Flores, Guillermo.
 Fondicala, Lorenzo.
 Fracchia, Francisco.
 Fretes, Asuncion.
 Fretes, Matias.
 Gadea, Martin.
 Galeano, Valentin.
 Galleo, Pedro.
 Gaona & Co., Francisco.
 Garavano, Domingo.
 Garcia & Co., Fernandez
 Garcia, A.
 Garcia, Juan.
 Garrido, Gabriel.
 Gimenez, S.
 Gomez, Antonio.
 Gomez, Tomasa.
 Gonzalez, Emiliano.
 Gonzalez, Gabino.
 Gonzalez, Gregorio.
 Gonzalez, José.
 Gonzalez, Zacarias.
 Grenzi, Antonio.
 Guerreros, Eusebio.
 Gutierrez, Mariano.
 Hill, Frank D.
 Ibarra, Josefa.
 Ibarra, Rufino.
 Irrazabal, Isabel.
 Juzzi, P.
 Klug, César.
 Laflor, Ceferino de.
 Lassere Hermanos.
 Leal, Felipe.
 Livlères, Lorenzo.
 Lopez, Magdalena.
 Machain Hermanos.
 Magrini, Luis.
 Maldonado, Eleuterio.
 Mantero, Pedro.
 Manzan, Francisco.
 Marinelli, Juan.
 Martinez, Juan de M.
 Martinez, Silvano.
 Matto, César A.
 Mazzi, Antonio.
 Mendez, Francisco.
 Mereles, Tomasa.
 Mieres y Rodriguez.
 Min, Reyes.
 Montero, Francisco.

ASUNCION—Continued.*General merchants—Continued.*

Moreira, Manuel.
 Muñoz & Aguinaga.
 Nardi y Bartolo.
 Navarro y Andruetz.
 Nega, Claudio.
 Negri, Juan B.
 Oliveira, Alberto.
 Oliveira, D.
 Oliveira, Joaquin.
 Ortellado de la Cruz.
 Ortellado, José María.
 Ortiz, Bernardo.
 Pandi, L.
 Pani, Salvador.
 Parodi, Lorenzo.
 Parodi, Pablo.
 Parra, R. B.
 Patiño, Manuel.
 Paula, Francisco de
 Pellegrini, Domingo.
 Pereira, José.
 Picasso, Luis.
 Pinho, Ernesto.
 Pittari, Antonio.
 Pizurno, Ezequiel.
 Polanich, Santiago.
 Poletti, Domingo.
 Prato, Emilio.
 Ramirez, F.
 Ramirez, Juan B.
 Reinter, Bernardino.
 Richard, Alfredo.
 Riquelme, Pedro A.
 Riquelme, Tomasa.
 Riveros, A.
 Rodriguez, Miguel.
 Romero, V.
 Rosa, Albino de.
 Rosa, Rufino.
 Ruiz, E.
 Ruiz, Juan.
 Saguier, Carlos R.
 Saguier Hermanos.
 Salcano, Valentin.
 Salinas, S.
 Salvione, José.
 Scherenio, Fdo.
 Silva, C.
 Sosa, Faustina.
 Stanch, Lucas.
 Suani, Agustin.
 Taboada, P.
 Talabella, Antonio.
 Talico, M.
 Trajan, Manuel.

ASUNCION—Continued.*General merchants—Continued.*

Turró, Antonio.
 Turró, Francisco.
 Ucedo, José.
 Valdez, Carmen.
 Valdez, Lucio.
 Valdez, Tomasa.
 Valdovinos, Emiliano.
 Valdovinos, Pedro.
 Valentin, Manuel.
 Valenzuela, Miguel G.
 Valiente, Daniel.
 Vasquez, Pedro A.
 Ventre, Gerónimo.
 Ventre, S.
 Ventura, Antonio.
 Vieini, Tomás.
 Vila, Manuel.
 Villarica, José.

Hardware.

Crovato, Rodi & Co.
 Pirovano & Co., G.
 Prats, E.
 Rius y Jorba.

Importers.

Almandoz y Zorazabal.
 Angulo & Co.
 Augusti, Rafael.
 Bajac & Co., Miguel W.
 Bello, Enrique.
 Bibolini Hnos
 Billordo y Ca.
 Boettner & Co., Alfredo.
 Casaccia, Jorge.
 Casartelli Hnos.
 Crovato, Rodi & Co.
 Esmeriz & Co., Francisco.
 Fernandez Hnos.
 Fernandez y García.
 Fisher y Quell.
 Frachua & Tiscornia.
 Gaona & Co.
 Garcia & Fernandez
 Gomez & Co.
 Gonçalves, Ricardo Mendez
 Heidske, Chr.
 Heisecke, Cristian G.
 Manzoni Hnos.
 Monte & Co.
 Pin, F.
 Pirovano & Co., G.
 Ribeiro & Co., Cazal.
 Rius y Jorba.
 Ros y Alvarez.
 Solalinde, Manuel.
 Uribe & Co.

ASUNCION—Continued.*Jewelers and watchmakers.*

Cabrera & Co., P.
Lopez & Klunge.
Martinez, J. M.
Otaegui, P.
Perret, Martin.

Liquor merchants.

Bréguins, Luis.
Duval.
Evali, Luis.
Parini.
Pecci Hnos.
Rabéry & Co., Luis.
Riquelme, Sábás.
Sciollé, P.
Servian, T.
Van Strate, Luis.

Lithographers.

Cassaús, Plácido.
Godel & Co., A.

Produce merchants.

Angulo & Co.
Casnedi, Felipe.
Corpa, Juan
Gaona & Co., Francisco.
Risso, Francisco.
Patri, Luis.
Ruiz, T.
Uribe & Co.

CARAGUATAY.*General stores.*

Bergara, Ignacio.
Dacosta, Francisco G.
Diaz, Nicasio.
Escarra, Daniel.
Fralx, Anselmo.
Fretes, Anastasio.
Gonzalez, Froilan.
Miranda, Francisco.

CARAGUATAY—Continued.*General stores—Continued.*

Núñez, Hipól.
Perez, Valentín.
Samaniego, Candido.
Villano, Cayetano.
Villati, Diego.
Zapata, Victor.

Silversmiths.

Insaurrealde, José Maria.
Villasanti, Juan.

Spirit manufacturers.

Campo, Ventura.
Dacosta, Francisco G.
Diaz, Nic.
Oveido, Juan M.
Recalde, Josefa.
Vera, Doroteo.

Sugar-growers.

Antunez, Laureano.
Medina, Dionisio.
Samaniego, Castor.
Villagró, Pilar.

VILLA DEL PILAR.*Commission merchants.*

Centurion, Adriano.
Granada, Ignacio.

Merchants, wholesale.

Dos Santos, Antonio.
Rébora, Venturi.

Shipbuilders.

Altgelt & Co.
Bouzante, Esteban.

Wood exporters.

Altgelt & Co.
Benza, Lorenzo.
Dos Santos, Ant.
Rébora, Venturi.

